



Daily Report

Latin America

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Borja Addresses SELA Meeting in Caracas
PA0202164089 Caracas Venezolana de Television
Canal 8 in Spanish 1949 GMT 1 Feb 89

[Speech by Ecuadoran President Rodrigo Borja at a SELA meeting "for Latin American unity" held at the Romulo Gallegos Hall in Caracas—live]

[Text] Heads of state and governments, former presidents of Latin American and Caribbean nations, members of the diplomatic corps, President-elect of the Republic of Venezuela, members of special missions, ladies and gentlemen:

First, may I express my heartfelt gratitude for being given the honor of being the spokesman for Latin America and the Caribbean at this meeting on matters related to regional unity, a meeting called and organized by SELA on the occasion of this Venezuelan democratic celebration with the warm hospitality of the Venezuelan people.

I think this is a good time to recall that 15 years ago, two visionary leaders of our America—Carlos Andres Perez and Luis Echeverria—conceived the idea of creating this international organization, an organization destined to play a vital role in an increasingly interdependent world in which blocs, associations of states, and groups with common interests are formed to defend regional positions. That is how SELA was formed; it was intended to play a leading role in Latin American and Caribbean integration.

I certainly cannot resist the temptation to outline parallels between the continual process of developing human society—vital for mankind—and the modern process of creating state societies to defend vital regional and common interests. There is no doubt that both cases are based on the same principles and motivations. On the one hand there is man, an incomplete being incapable of satisfying all his needs; therefore, he found it necessary to create societies for mutual support. On the other hand there is the state, which over time has also proved incapable of facing and solving the problems, miseries, and challenges of modern times. Those problems and challenges have transcended the state's ability to resolve them alone and have made it necessary to create societies of states and a wide range of integrated groups to assume common difficulties, combine efforts, and discover that their strength lies in their unity to face these and other problems threatening the modern world's stability.

I do not think it is unrealistic to say that the state is facing a real crisis. I do not think it is wrong in a dialectical sense, because the state is a historical unit just as hordes, clans, tribes, confederations of tribes, and nations were in the past. All those forms of human organization disappeared after they fulfilled their purposes. More perfect—or at least less incomplete—forms of organization emerged to meet social needs.

The state is just the last link in this continuous chain of organized forms of society that have been created by man's social instinct and reason. However, we cannot expect the state to live forever, just as prestate societies did not. More efficient, perhaps broader, forms of social organization will emerge in the future...[5-second break in reception] This explains the current unstoppable tendency in all latitudes and longitudes of the world to create societies of states and blocs of regional and subregional groups to promote a process of integration—initially economic, but which undoubtedly will end up as political integration.

Rousseau, one of the classical thinkers and one of history's expounders of political theories, in explaining the formation of primitive society—man's transition from his natural state to society—held that this process did not conspire against his liberty, but strengthened it. He explained that each human being, in giving himself to a group, does not give himself to anyone in particular. And because everyone has the same rights, he gets back the equivalent of what he has lost and acquires more strength to preserve his possessions. The same occurs in the international field and in the lives of states. Their liberty, which is called sovereignty, is not curtailed by international organizations. On the contrary, it is strengthened, renewed, and invigorated as a result of the association.

In explaining this, Giorgio Delvecchio said that the relationships of states in societies, just as among individuals, should be accepted as a corollary to a fundamental law of ethics. He added that liberty and sovereignty are protected, despite the apparent contradiction between liberty and subordination to law, although they are superseded by philosophy. Only superficial thinkers can believe that real liberty consists of an arbitrary violation of laws. Evidently, the truth is the opposite: Only by obeying our natural laws can we really be free. Therefore, the state's sovereignty is truly confirmed only when the state does not surrender its essential characteristic, which is its ability to participate in a potential and necessary society of states that it cannot overlook without neglecting its own nature.

SELA was created on this philosophy, as President Carlos Andres Perez explained with great futuristic vision when he inaugurated the third Latin American Council's meeting. On that occasion he said: Our countries individually do not have the ability or power to face the reality of today's world.

The creation of large economic blocs is not a subject for debate by theoreticians, nor is it Utopian. The creation of large economic blocs is a reality in our world. The United States of America—the world's first common market—the USSR, and the EEC are tangible and powerful realities that Latin American, African, and Asian countries will not be able to face individually.

The world surely faces problems that transcend national borders. Common threats demand united responses. Today's world poses grave problems. Maintaining international peace and security is not the task of just one state; it requires a concerted international effort. The same goes for the tasks of economic and social development, which include the fight against international inflation and the monetary and exchange breakdowns that cause so much damage to Third World countries.

These issues—protection of the environment; in the specific case of Latin America and the Caribbean, confrontation with the foreign debt; imbalances in foreign trade; increasing international dependence; narcotics trafficking, labeled democracy's mortal enemy by Colombia's President Barco; the scientific and technological subordination in which our countries find themselves vis-a-vis the hegemonic and central powers of the planet; the struggle against the severe poverty suffered by the great Latin American masses; the creation of a new international economic order that will do justice to the poor countries and allow them to receive an equitable share of the world's income and benefits of progress; even the maintenance of democracy as a organizational form of society—definitely require an appropriate international setting in which to be addressed vigorously. Such a setting is necessary for states to become more effective in realizing economic and social ambitions.

All these problems exceed the capabilities of all our states individually. That is why the solution is what SELA and so many other Latin American and world organizations have done: They have united to discover that strength lies in unity and agreement. We must add the matter of national viability or national nonviability of development, which (Elio Yaguaribe) [not further identified] so masterfully described. According to the structural characteristics of the various Latin American countries, the possibility of developing individually or jointly depends on the availability of human, natural, technological, and financial resources within their reach. This phenomenon compels us to seek agreement and union in Latin America and to create organizations of states that can create fronts of struggle and joint defense to protect the interests of Latin America and the Caribbean.

This forces the promotion of integration processes that, in turn, create greater economic ambitions and make feasible mass production at low costs and the incorporation of modern technology in production. One must accept development as a result of our countries' integration. Integration is but the instrument for economic growth and the just distribution of the benefits of progress.

Of all the challenges Latin America and the Caribbean must face, the foreign debt is unquestionably the greatest. Over the last 7 years all types of formulas have been proposed to try to solve it, all of them without result thus far. I believe the time has come to assume daring positions and to state that it is impossible for our countries—a physical impossibility in the majority of

cases—to deal with the necessities of our internal development and at the same time repay the principal and interest of our foreign debts. We can do one or the other, but I fear it is impossible to do both together.

It is not a question of not wanting to pay the debt. It is a question of not being able to do so unless we make a concerted effort, without confrontation, to reach new formulas, unconventional but equitable formulas, to solve this problem that—as the SELA secretary general said—is the principal obstacle Latin America and the Caribbean face in the path of their development. To understand the foreign debt problem, at least four elements should be kept in mind:

First, it is not simply a financial problem, even though it may have been so at first. It is a political problem, because the quality of life of 350 million Latin Americans and the viability of our democratic regimes depend on it. Second, this is not an isolated problem stemming from North-South relations. Instead, it is part of the dynamics of domination and dependence in which poor countries of the world, and especially Latin America, fend for themselves. Third, it is not only a debtor's problem; creditors and debtors share responsibility. Therefore, a solution cannot be reached if it is not based on reciprocal concessions. Fourth, this is not the only debt the Latin American and Caribbean governments have; there is also a social debt to our people, which has priority.

All this complicates a solution to the debt conflict. All this forces us to find viable formulas to solve the problem. We hope for understanding from our creditors. We hope they will take note of the real difficulties Latin America and the Caribbean have in facing the foreign debt. We hope they can understand that it is not simply an occasional lack of funds, but much deeper problems, to which solutions must be found.

In this serious hour for Latin America, I believe SELA should define development strategies for the last decade of the 20th century. The 1980's was a lost decade for the development of the region, according to SELA. During the last 7 years we have transferred \$150 billion to the industrial countries. This means the countries of our America lost more than \$20 billion a year.

Development is impossible under such conditions; mechanisms that will reverse the flow of resources are necessary. SELA should define the role the region must play in the new division of labor being planned for the year 2000. SELA should draft a purely Latin American and Caribbean proposal for facing conflicts at the end of this century, generating negotiating power toward the developed world, and establishing an economic and social development strategy for the last decade of the 20th century.

All this should and must be done. Sovereign decisions must be combined with concerted democratic efforts to create the necessary strength for the voices of Latin America and the Caribbean to be heard clearly, decisively, and freely in the international field. Thank you.

Cuba

More on Castro Visit, Meetings in Venezuela

Arrival Comments Reported

FL0202191689 Havana Tele-Rebelde Network
in Spanish 1800 GMT 2 Feb 89

[Text] Commander in Chief Fidel Castro arrived in Venezuela this morning. Our special correspondent gives us this report:

[Begin recording] [Unidentified reporter] Greetings, esteemed viewers. Early this morning Commander in Chief Fidel Castro arrived at the Simon Bolivar International Airport in Maiquetia, which is only a few kilometers from Caracas. [video shows Castro walking on the runway surrounded by a group of men]

[Castro] Well, we haven't agreed on an exact time to hold meetings with everyone that has requested a meeting. This is something we have to arrange. I believe that we'll be staying in the same place as all the other guests. I already have an idea of when I'm going to meet with a few of them, but not all of them. Now I have to coordinate the meetings.

[Reporter] Will you have a meeting with Nicaraguan President Daniel Ortega?

[Castro] I assume he'll be around and it's very probable that we'll meet. Of course, the main thing on the agenda is to attend the inauguration.

[Reporter] Will you be meeting with Vice President Dan Quayle, who is also here for the inauguration?

[Castro] I don't know. There is nothing on the agenda with Vice President Quayle. I think he's been going around saying he has no plans to meet with Daniel Ortega or Fidel Castro. I didn't assume we would but, you know, I don't have any objection to meeting with him.

[Reporter] So, you would be willing to sit down and talk with Vice President Quayle?

[Castro] Well, I don't have any prejudices against doing so.

[Reporter] About the foreign debt, Mr President, this is a problem that is smothering all of Latin America. What would be the importance of this ceremony—the inauguration of Carlos Andres Perez—toward helping to solve this problem?

[Castro] I think that Perez's ceremony has to do with many problems. It has to do with the problems and development of the Third World, the new international economic order, the foreign debt, and a great number of things that interest all of us in the Third World. As you

can see, not only are there representatives from Latin America present, but from the entire Third World. This meeting also has to do with the idea of Latin American integration. This is the importance that we see and it's the symbolism we see in conjunction with Perez's inauguration, to which not only Latin American leaders have been invited, but leaders from the whole world. Of course, even though this has to do with the Third World, I think that it also has a special relevance to Latin America, which is our own region.

[Reporter] A specific formula to deal with...

[Castro, interrupting] We all have to find the formula, because everyone has their own ideas. However, the best one is the one that will come from the discussions. I don't think that on this occasion we'll be able to discuss these formulas at length. I think that this is an sign of willingness and the spirit to work in a set direction. However, we can't expect any spectacular solutions here; this has a great symbolism. Above all, it shows the willingness of the Third World countries and the Latin American countries to work together. This is the value I see in this circumstantial, summit meeting.

[Reporter] Could there possibly be a meeting with the Group of Eight?

[Castro, laughing] We don't belong to the Group of Eight. However, if they invite us to a meeting, we would be more than happy to attend.

[Reporter] Thank you very much.

[Castro] Delighted. [end recording]

Comments on OAS, Meetings

FL0202214589 Havana Radio Reloj Network
in Spanish 2032 GMT 2 Feb 89

[Text] Commander in Chief Fidel Castro has said in Caracas that Cuba does not have a sectarian position regarding the OAS and supports integration and dialogue. He also characterized the informal Caracas summit being held on the occasion of the inauguration of Carlos Andres Perez as a symbol of the growing will of Latin America and the Caribbean to work together to deal with their problems. Fidel asserted that the high-level gathering in Venezuela of heads of state, vice presidents, and other high-ranking officials shows the appeal of Carlos Andres Perez. He added that Perez' inaugural speech was very good.

Since Fidel arrived in Caracas he has removed himself from protocol measures and his excellent humor has won him the sympathy of those who are participating in the event.

Garcia Marquez Comments

*FL0202223089 Havana Radio Reloj Network
in Spanish 2034 GMT 2 Feb 89*

[Text] A joint Latin America action, unthinkable 15 years ago, will facilitate Bolivar's dream. This was said in Caracas by Gabriel Garcia Marquez, Nobel Award winner in literature. The special guest to the inauguration of Carlos Andres Perez remembered that 20 years ago all Latin American countries except Mexico isolated Cuba on U.S. instructions. However, Fidel now goes to Quito, the Aztec capital, and Caracas, and I do not know of any president who has objected, he said.

Regarding our commander in chief's visit to Venezuela, Garcia Marquez also said that Fidel has not stopped accepting this kind of invitation. These are signs of Latin America's road toward unification, he said in general terms. Garcia Marquez noted that the foreign debt has a lot to do with this. We have to thank adversities for bringing about the possibility of uniting Latin America.

Talks With Sarney, Andres Perez

*FL0202211589 Havana Radio Reloj Network
in Spanish 2052 GMT 2 Feb 89*

[Text] Cuban and Brazilian Presidents Fidel Castro and Jose Sarney held talks in Caracas today at noon. They mainly discussed the situation in Angola, Namibia's future, and Latin American problems. The conversation took place in a suite at the Caracas Hilton, where both are staying. They were invited to attend the presidential inauguration of Carlos Andres Perez.

It was reported that the chiefs of state referred to Sarney's recent visit to Angola and the Brazilian-Angolan joint communique signed during the visit. They agreed that UN Resolution 435 on the future of Namibia should be strictly complied with and should not include any kind of changes or speculations.

It was also reported that our commander in chief showed interest in various aspects of the Brazilian agriculture.

Shortly after his arrival early this morning, Fidel held talks with new Venezuelan President Carlos Andres Perez.

Venezuelan Media Coverage Noted

*FL0202231089 Havana Radio Reloj Network
in Spanish 2234 GMT 2 Feb 89*

[Text] Before and after the Venezuelan presidential inauguration, hundreds of reporters attempted to interview the foreign presidents attending the event, especially Commander in Chief Fidel Castro. The Cuban leader's movements were captured by Caracas television with numerous cameras, recorders, and cables that were being handled by dozens and dozens of media people

surrounding him. Fidel himself had to warn a reporter who was balancing his body and the camera to watch his step: Be careful because you are going to fall.

During Carlos Andres Perez' inauguration ceremony, Commander in Chief Fidel Castro was seated between Dominican Republic President Joaquin Balaguer and Spanish Government leader Felipe Gonzalez, with whom he was seen talking affably.

Meets With Spain's Gonzalez

*FL0302035589 Havana Radio Reloj Network
in Spanish 0302 GMT 3 Feb 89*

[Text] Commander in Chief Fidel Castro Ruz and Spanish Government President Felipe Gonzalez met in Caracas, Venezuela today and analyzed the political outlook of Central American and Latin American countries.

The supreme leader of the Cuban Revolution said that the foreign debt is affecting democratic processes in the continent and asserted that it should be totally erased. Fidel confirmed to the press that Carlos Andres Perez taking power as the new Venezuelan president is an important event that can influence development, the solution of problems, and integration and unity of Latin America.

At the end of the meeting with the Cuban head of state, President Gonzalez said the cooperation of Cuba is necessary in the search for a peaceful solution in Central America.

European and Latin American legislators in Caracas, Venezuela today noted that the visit of Commander Fidel Castro to the country strengthens hemispheric unity. The legislators noted that the new Venezuelan President Carlos Andres Perez and the arrival in Caracas of the supreme leader of the Cuban Revolution are part of the new air the region is breathing.

Within the framework of the ninth interparliamentary conference between Latin America and Western Europe, the legislators agreed that Fidel's trip to Caracas is further evidence of the unity that should exist among Latin American peoples to solve the common problems affecting them. They also asserted that Fidel has shown himself to be a Latin American leader with ideas that need to be heard on problems such as the foreign debt and the political future of the region.

Further Talks Reported

*FL0302132189 Havana Radio Progreso Network
in Spanish 1200 GMT 3 Jan 89*

[Excerpt] Commander in Chief Fidel Castro yesterday in Caracas met successively with the presidents of Brazil, Costa Rica, Spain, the Dominican Republic, and Panama.

Fidel held the meetings after attending the inauguration ceremony of the new Venezuelan head of state, Carlos Andres Perez, with whom he had a short meeting. [passage omitted]

Afterward, Fidel met with Spanish President Felipe Gonzalez; at that time he also spoke with some reporters, to whom he expressed his interest in visiting Spain. In particular, he talked about visiting his relatives in Galicia and the head of state, Felipe Gonzales, who he called a friend. Nothing else was said about the meeting between the presidents of Cuba and Spain.

The head of the Cuban state later met with Dominican President Joaquin Balaguer. After the meeting, Balaguer said they had an interesting and courteous conversation. Fidel's next meeting was with Panamanian President Manuel Solis Palma. It was reported that the meeting was brief and there were no comments about it. Fidel then met with Costa Rican President Oscar Arias. It was reported that the two leaders discussed the situation in Central America. In later statements to the press, Fidel said that he has a high opinion of President Arias and his fight for the peace process in Central America.

The last meeting the Cuban president held was with former U.S. President James Carter. It was reportedly a long conversation, although it is still not known what they spoke about. However, (?it is assumed) that Fidel and Carter discussed subjects such as the Latin American foreign debt, the Central American crisis, and the situation between the United States and Cuba.

All of the meetings with the Cuban president were held at the Caracas Hilton in the Venezuelan capital.

Castro Visit Shows Change in 'Political Winds'
FL0202194789 Havana Radio Rebelde Network
in Spanish 1800 GMT 2 Feb 89

[Station commentary]

[Text] Fidel is in Venezuela. There was a lot of speculation about the trip, and Cuba's enemies did whatever they could to discourage it. The reasons are obvious. However, Fidel's visit is a fact and it confirms, once again, that political winds in Latin America are changing.

Undoubtedly, we are witnessing the beginning of a new era in our America. We are living in a time of far-reaching historic importance. The times of very subtle orders are coming to an end, and a new sovereign spirit is appearing in the continent. Gradually, there are less (?people) who bow their heads to the peremptory command. Latin America appears to be ready to take on the battle for integrationist agreement. The road is difficult and complex, but the victory of the continental commonwealth is certainly taking shape.

As nations, we are urged to make profound changes; we, as Latin Americans, are responsible for that task, no one else. The changes will be in accordance with the ideas of each nation and according to each historical circumstance, but they will be made. We must be more than aware of this fact in order to put an end to the current state of affairs. The history of each one of our countries is related to the history of others because we have an indestructible common foundation and similar problems.

Today, in the light of what is going on in Caracas, a new phase has begun. We shall see if the people we are addressing try to take us back to the era of the "Big Stick" or, on the contrary, if they decide on a rational coexistence, alien to servitude and merciless exploitation. Cuba is doing its part in this struggle, without hopes of being the voice of the continent. As Fidel once said, there is no reason why there should be guiding nations, or even men who guide. What we need are guiding ideas.

Ouster of Paraguay's 'Old Dictator' Noted
FL0302142189 Havana Radio Rebelde Network
in Spanish 1143 GMT 3 Feb 89

[Station commentary by Orlando Contreras during "Haciendo Radio" program]

[Text] The oldest dictatorship in the continent was toppled this morning when 76-year old Alfredo Stroessner, who was being treated for cancer and a severe cardiac condition, was removed from office in a bloody riot by General Andres Rodriguez, chief of the I Army Corps, the principal military contingent in the country.

According to the military man leading the uprising, the coup against Stroessner seeks to rescue the prestige of the Army, redirect the country toward democracy, and put an end to human rights violations. He also said that the coup was headed by military units and the official party, the Colorado Party, since the old dictator, Stroessner, refused to modernize the power structure.

What is certain right now is that the coup in Paraguay is an action led by the political and military powers without the participation of the real opposition and the people, who, during the next few hours, will certainly welcome the end of 35 years of a hateful dictatorship.

Stroessner got himself reelected seven times, but he governed the 405,752-sq-km country, with a little more than 4 million residents, as if it was a large hacienda for breeding cattle. He turned the country into the center of one of the largest official contraband organizations.

Of the 35 years of Stroessner's dictatorship, 33 of those were lived under a state of siege in Paraguay. Stroessner proclaimed himself the world champion of anticommunism. He filled the prisons and armed a (?peoples structure) with the Colorado Party, the Armed Forces, and, to a lesser degree, the police. All of this was controlled by Stroessner himself and a group of unconditional followers.

The opposition gained strength and prestige during the last few years. People like Domingo Laino, a reformist, gained prestige in the middle sectors and he made the reality of his country known abroad.

However, it seems to me that the coup de grace against the Stroessner dictatorship was guaranteed a little less than 2 years ago.

Stroessner always had the support of Washington, yet his dictatorship was seen more as a fossil. However, at the moment of truth, and for lack of a viable solution, Washington always supported the old anticommunist dictator.

A short time ago, however, Stroessner decided to install in Paraguay one of the largest drug manufacturing centers to send drugs to the United States which, as is known, has the largest drug market in the world. A shipment of acetone ether and other substances used in the processing of cocaine paste was discovered. Friend Stroessner crossed the line, and this is when his fate was sealed.

Who leads the coup? It is led by the only organized force available, the Army and the Colorado Party itself. This at least seems to be the origin of the coup, but it can become a popular [word indistinct] movement. However, at this time it is an action led by a group, a settling of accounts, and an action fed by enormous ambitions.

Dominican Republic

'Extensive' Investigation Into Haitian Deaths
FL0202154389 Santo Domingo Radio Mil Network
in Spanish 1011 GMT 2 Feb 89

[Text] The tragic accident in which 47 Haitians and 1 Dominican soldier died when a truck full of "braceros" [Haitian workers] overturned on the highway continues to be a matter of concern to the national and international community.

Dominican authorities continue to be condemned for this tragedy, which is considered to be one of the largest (?transportation accidents) to occur in the Dominican Republic.

The origin and destination of the accident victims has not yet been appropriately clarified. This has led the Haitian Government to request additional information on this matter from the Dominican Government.

Political organizations, trade unions, and public opinion sectors agree that the accident is evidence of the illegal traffic of Haitians to the Dominican Republic.

The State Sugar Council confirms that the accident victims were transported to the capital from [words indistinct]. Nevertheless, the owner of the truck involved in the accident said that he was transporting the "braceros" [words indistinct] at the price of 25 pesos a head.

Among the demands to clarify the situation, the president of the Dominican Republic has instructed the police chief to conduct an extensive investigation into the matter that cost the lives of 47 people.

Haiti

Unrest, Barricades Reported in Gonaives
FL0302002089 Port-au-Prince Radio Nationale
in Creole 1400 GMT 2 Feb 89

[Text] Our Gonaives correspondent informs us that there has been (?a) barricade set up on National Highway No 1 since this morning. Also, the population of Raboteau has destroyed the bridge in the Raboteau area, says (Bredy Delva).

[[Delva]] The population of Gonaives has been smelling smoke since very early this morning. Several flaming barricades made of old tires were erected this morning at several intersections in Gonaives. [Word indistinct] we found a barricade on National Highway No 1 in the area known as Trou Sable.

Regarding the Raboteau area, which is the (?heart) of all the activity in Gonaives, there were barricades at almost all the intersections of the streets (?in the vicinity of the bridge). What's worse, they removed all the bridges on the side streets. Thus, Raboteau is pretty much cut off from the rest of Gonaives.

In order to avoid a general panic like last Friday's, it seems certain that schools have sent their students home. However, other schools are functioning normally.

Regarding the marketplace, some of the vendors are a bit reluctant to lay out their wares.

This, then, is an overall picture of the situation this morning in Gonaives. We are following the evolution of the situation and we will keep you informed.

This is (Bredy Delva), RTNH, Gonaives.

[Announcer] That was our correspondent in Gonaives, (Bredy Delva), giving us information on (?the) barricade that has been erected along National Highway No 1 and on the Raboteau bridge, which area residents have trashed.

More on Gonaives Tension; Strike in Petit Goave
*FL0302003989 Port-au-Prince Radio Metropole
in French 1700 GMT 2 Feb 89*

[Text] There is tension in Gonaives and Petit Goave, towns in which there have been recent antigovernment demonstrations. In Gonaives there were tires burning this morning, mostly in underprivileged neighborhoods, and by 1000 all the schools were closed and commerce had slowed down. However, there were no demonstrations in the streets. Here is an account from our Gonaives correspondent, Ferguson Legros.

[Begin Legros recording, in Creole] In a press release we have received from some students in Gonaives, they say: Considering that the cost of living has risen under the current government; considering the current insecurity; and considering the threats being made by the bigshots, with the information minister making a big declaration about a number of political leaders, and involving Gonaives too, they, the students, have decided that today, Thursday, should be considered a strike and demonstration day.

Many students had had time to get to school [this morning]. By approximately 0830 this morning, however, all the schools were empty. The students had declared that they should not remain in school today. All the students had left school by 0830. They went home.

Tension is currently high in Gonaives. There are no demonstrations in the streets. There are a number of tires burning all over town. We saw tires burning in several neighborhoods in Gonaives, giving off a lot of smoke.

Also, in the Raboteau area there are a number of little bridges that were built to connect Raboteau to the rest of Gonaives. Well, they totally destroyed these bridges to show that they are angry with the government, and they ask the Avril-Heubreux government to resign [rache manyok yo], to leave power to give Haiti another chance.

We can tell you that the situation in Gonaives at present is hot. Commerce is at a slowdown. For their part, public offices are functioning normally. There is a lot of talking going on. Things are hot. We are on-site and following events, and will keep you informed.

This is Ferguson Legros, reporting to you from Gonaives for Radio Metropole. [end recording]

In Petit Goave, for the 3d consecutive day, schools weren't able to function today, Thursday [2 February], either. Here is Marcel Thomas:

[Begin Thomas recording, in Creole] The situation is still not completely normal in Petit Goave. The schools did not function again this morning. Most students showed up at the different schools, and church schools and the lycee began classes.

At around 0900, two or three students from the College de Petit Goave went around and sowed panic in all the schools that were functioning. They threw rocks and made a lot of noise; hence, school was over.

At the lycee, after the same students who had sown panic on Tuesday morning struck again, the group from College de Petit Goave showed up. A number of students from the lycee objected and prevented them from entering the lycee. During this conflict the students even began to exchange volleys of rocks. This situation made parents frantic, and they ran and picked up their children at school.

This is the 3d day that there has been no school in Petit Goave. This situation is worrying many parents, who remember what has happened in the past few years. They are asking if the same thing is going to happen this year.

In any case, we are following events and will keep you informed. This is Marcel Thomas in Petit Goave for Radio Metropole.

Jamaica

Situation in Spanish Town 'Calm But Tense'
*FL0202200789 Bridgetown CANA in English
1906 GMT 2 Feb 89*

[Text] Kingston, Jamaica, Feb 2, CANA—The former Jamaican capital of Spanish Town remained calm but tense Thursday following Wednesday's political violence and an overnight burning, police said.

Police also reported the shooting of a woman elsewhere in the parish of St Catherine, of which Spanish Town is the capital. "There is no problem here, but the situation is tense but calm," said a spokesman at the police station in the town, 14 miles west of Kingston.

Ruling Jamaica Labour Party [JLP] and opposition People's National Party [PNP] supporters traded bullets, bottles and stones Wednesday, leading to the shooting at St John's Road of a 16-year-old boy on his way home from school.

Two houses were burnt on the troubled St John's Road during Wednesday's violence and police said another seven-apartment house in this run-down area of the town was destroyed by a firebomb.

Supporters of the JLP and the PNP fired guns and threw bottles and stones in violence ignited by the killing of two women in separate incidents Tuesday night. One of the women was an election canvasser for the JLP, while the other was said to be a PNP supporter, though her family denied political connection. The woman who was shot Wednesday when gunmen opened fire on her home was said to have close PNP connections, but the police declined to comment.

Violence has erupted in several sections of St Catherine during the campaign for the February 9 general elections here, despite regular calls for peace by party leaders, Prime Minister Edward Seaga and PNP President Michael Manley, who signed an accord last August aimed at minimizing violence during the campaign.

Meantime, the Private Sector Organization of Jamaica [PSOJ] on Thursday suggested that Jamaicans interested in peace between now and the election wear something blue to highlight the fact. PSOJ President, Peter Thwaites, told reporters that the full weight of public opinion should be brought to bear against those who created violence. "Let the law-abiding majority show the lawless minority that we are taking our country back from you," Thwaites said.

The churches have also been calling for peace, and have mildly rapped Seaga for a claim Sunday night that the PNP was planning a campaign of violence in seven marginal constituencies.

The Jamaica Association of Evangelicals in a statement urged leaders to respect "legitimate channels" set up to deal with matters of violence. This was a reference to Seaga's statement at a rally rather than taking any such concern to an inter-party committee or the ombudsman set up under the "peace pact" or directly to the police.

The Jamaica Council of Churches [JCC], which groups mainstream churches, made the same observation in a letter to Seaga. "We regret that allegations as grave as these were reported in that particular forum on Sunday night," the JCC said. "If, as you say, there is such a

threat to the peace process, then it is vital that proper security precautions be taken in these areas by the security forces," the council added.

Two Die in Kingston Election Violence
FL0302000789 Bridgetown CANA in English
2345 GMT 2 Feb 89

[Text] Kingston, Jamaica, Feb 2, CANA—Two more persons died in Jamaica's election campaign Thursday, apparently shot by police stray bullets. A small boy was also shot and injured during the incident in a politically volatile area of the down town section of the Jamaican capital that is now part of Prime Minister Edward Seaga's West Kingston constituency.

The police information centre could not immediately give details on the killing of 22-year-old Denise Ralston and teenager Rohan White, but residents of the Fletchers Land area told reporters that they were shot by police who were firing at ruling Jamaica Labour Party supporters.

Opposition People's National Party West Kingston candidate, Clinton Davy, was leading a march in the area when the violence erupted. PNP supporters say that government backers tried to prevent the march and that shots were fired towards the parade. The police were reported to have shot back. However, JLP supporters claimed that they were fired on without provocation.

Ralston died inside her dilapidated concrete and wood house while White fell in the gutter just outside the front gate.

Salinas on Debt Negotiations, U.S. Relations
PA0202024389 Mexico City EXCELSIOR in Spanish
24 Jan 89 pp 1A, 10A

["Part II" of report by Regino Diaz Redondo on interview with President Carlos Salinas de Gortari at presidential office on 20 January; quotation marks as published]

[Text] Without hesitation, President Carlos Salinas de Gortari said: "The country will not tolerate very well the current situation...not very well. That is why the negotiation of the foreign debt will take time, but not too much time."

[Diaz] Months?

"Months, I do not want to name a specific time period, because I am convinced that time worries the creditors," he explained.

Tenacity is his companion. "We must achieve this. The security of our children comes first. The welfare of Mexicans can no longer wait...there can be no more adjustments entailing a drop in living standards," the president explained.

The president discussed this topic with vehemence, as he is very familiar with it. He moved his hands and body and got comfortable in his chair. Sometimes he would suddenly sit on the edge of his chair. "The foreign debt should not smother or curb us," he noted.

[Diaz] What if no good renegotiation is reached?

"It must be reached, because there is no other option," he replied.

His voice seemed to come from deep inside of him. However, he controlled it; he carefully weighed each word. His enthusiasm followed, hid behind his concern for the country's chief problem. What about the payments to service the foreign debt? I asked.

"They are being paid while the negotiations are taking place," Salinas answered.

How are the negotiations going? I asked.

"Firmly, yet always avoiding confrontations," he said. He returned to the subject, insisting and stressing: "The foreign debt is preventing our growth. Successful renegotiation is an economic and moral necessity. We must reverse the process; we must destroy the barrier—which is what the foreign debt has become—that hinders Mexico from growing." He added: "We are conducting the renegotiations with seriousness, responsibility, and a clear strategy that will not only cover 1989 but several more years."

He insisted that the percentage between what we owe and what we produce must drop. Nothing must hurt our ability to grow and prosper, he said.

"As we all know, the foreign debt is a political problem. To say that a few years ago was considered an anathema. Therefore, we will closely follow the proposals made to us during the Group of Seven's summit meeting. If they please us, fine; if not, we will insist on firm negotiations," Salinas said.

Salinas is very familiar with the topic of international relations and the world situation. He knows it very well. He almost recites his points of view on it. He was very brief—very succinct—concerning some of his views, while he expanded on others with a very clear intention in mind. He said:

- a. The Contadora Group will stress the solutions Central Americans have found through Esquipulas.
- b. Mexico recognizes Nicaragua within the framework of the Estrada policy, whereby it is up to Nicaraguans to decide the political definition of their government. (This answer is related to a very succinct question: Do you think the Nicaraguan Government is Marxist?)
- c. Mexico's foreign policy will be active, based on principles, and realistic.
- d. Relations with U.S. President Bush have begun on a cordial, respectful, and positive note. The U.S. President completely respects our nation—and we would not accept it any other way—and is interested in strengthening our relations.
- e. There are four areas where problems may arise with the United States, but they could lead to strengthened relations between our countries: the foreign debt, drug trafficking, trade, and undocumented workers. I will act firmly and strongly in these areas. However, I will also act in an efficient manner to solve problems that may arise.

[Diaz] How is the renegotiation of the foreign debt being proposed?

[Salinas] Concerning the debt, I have pointed out that the path is to avoid confrontation while carrying out firm negotiation. Why have I insisted on the firmness of the negotiation? For two reasons. First, because the burden of the debt is preventing Mexico from growing again. In a country that has needs—to which the citizens justly demand solutions—ancient deficiencies, new desires generated by our country's vitality, and a rising population of 85 million today—to which 10 million will be added by the end of the present administration—it is indispensable that we begin growing again, and the debt is preventing it. Therefore, it is an economic necessity and moral obligation to eliminate the barrier that the debt now poses for Mexico's growth. Consequently, the

negotiation must be firm. It must also be firm because the participation of so many interests in this process—the governments of the industrialized countries, the international financial organizations, and the commercial banks—is a truly complex, difficult, and arduous matter that also demands firmness in negotiations.

"Therefore, because of the need we have to grow and the difficulty of the process, we will carry out vigorous and firm negotiations. How will we carry it out? With seriousness, responsibility, and a clear strategy.

"This process has already begun with the instructions I gave to the treasury secretary in the inauguration speech. He initiated a dialogue with his counterparts in the United States and with leaders of international financial organizations. The dialogue will be resumed in the next few days, with the beginning of the Bush administration, to reaffirm Mexico's criteria regarding negotiating the debt. The criteria are the four I have already pointed out.

"First, we must halt the transfer of resources abroad. If we do not achieve this, we will be producing to pay rather than to grow.

"Second, we need to decrease the value of the historic debt, to decrease what we have so far accumulated as debt.

"Third, the negotiations must include not only 1989, but several years, to assure the investor and, consequently, to have a sustained process of recovery. It should not be one year, yes; and the next year, who knows what concerning growth.

"Fourth, throughout the administration and upon recovering our growth, we will always owe less than than we produce."

[Diaz] In the renegotiation, have you considered obtaining a reduction in the interest rate and in the debt itself, and what percentages?

[Salinas] We have not set rigid percentages, but it is clear that the percentage of what we owe to what we produce must decrease.

"How are we going to achieve that? It can be accomplished through something called a series of options, alternatives—alternatives such as repurchasing the historic debt at a lower value, capitalizing interest, obtaining fresh resources, and issuing bonds with zero coupons. In fact, Mexico has already tried several options. Others are being discussed, but the structure the negotiators call a 'menu of options' is what should allow us to prevent the debt from becoming an obstacle to the recovery of growth in Mexico. There can be nothing that will obstruct the ability of Mexicans to grow and prosper."

[Diaz] The mentality of the banks and of the creditor countries is changing a lot. President Bush, Secretary of State Baker, Vice President Quayle—who will visit in February—have made brief but substantial statements that give the impression that there will be a change. Some newspapers even reported that Bush will call for a summit to discuss the problem of the debt with the industrialized countries. Is there any possibility that there will be a unilateral decision on the part of the creditors or any possibility they will propose a reduction of interest on the payment of the debt?

[Salinas] Regino, obviously the debt has become a political issue of great international importance. A few years ago, if one said the debt was a political issue, it was almost considered blasphemy. It seemed to be an issue that exclusively concerned the commercial banks and the affected countries. At any rate, the monetary authorities of the industrialized countries became the mediators. However, the chiefs of state of the industrialized countries are now becoming involved in a direct, personal, and political manner in this issue, because unless it is resolved—I reiterate that a solution is relieving the burden that prevents growth—it will entail serious problems in the developing indebted countries. This will inevitably have repercussions in the industrialized countries.

"As for expecting one single solution from a meeting they might hold, I could add that we are holding negotiations. Negotiating means at least a dialogue between two parties, and that is what we are going to do, because we have our proposals. We are attentive; we are interested in what the negotiations could do. If they meet the requirements that we have proposed for recovering growth, great; if not, we will insist on firm negotiations."

[Diaz] How much longer can the country pay at the current interest rates?

[Salinas] How much longer will the country accept the current debt situation? Not much longer, Regino, which is why I have pointed out that the negotiations will take time, but they cannot take too long.

[Diaz] Does too long mean months?

[Salinas] Months. I do not want to give a specific period of time, because I am convinced time is a concern of the creditors.

[Diaz] However, the government should also worry—as you said on previous occasions—about the people having less purchasing power and about their unrealistic salaries. How are you going to hold up during these months you are mentioning? How will your administration hold up with the people demanding a better standard of living?

[Salinas] We have to do it. We have to make our efforts worthwhile, because the security of our children, of our families, comes first. The Mexicans' well-being can no

longer wait. We have not only the strength of that great internal economic adjustment we made, but also the moral reason of the effort and the sacrifice we are making.

"We Mexicans have already made the adjustment being demanded in other places as a condition to hold negotiations. We already did that. In Mexico we cannot make any more adjustments to lower the standard of living.

"That is why I am encouraged with this negotiation. We have achieved internal strength by making our economy sound, but, above all, we Mexicans have already made efforts and we will make our efforts worthwhile before the creditors."

[Diaz] Mexico needs fresh money; it needs loans for these coming years. What amount would be sufficient for growing and continuing to pay interest that would be lower than what we are currently paying?

[Salinas] Congress—with the approval of all the political parties—has authorized the executive branch an amount for a net debt this year. I have pointed out that it is not only a matter of obtaining new resources, but we must also reduce the debt we have thus far acquired. Otherwise these new resources would only accumulate to what we already have. We want to reduce the debt, and these fresh resources should foster new projects that will give the country the possibility of growing, generating employment, exporting, and achieving a dynamic economy in which the weight of the debt will no longer burden or inhibit it.

[Diaz] Forgive me for repeating myself: What is going to happen, Mr President, if a good renegotiation of the debt is not achieved?

[Salinas] We have to achieve it, Regino, because there is no other option than a renegotiation of the debt to terms that will permit Mexico to begin growing again.

"I want to say that I find the international political climate reasonably favorable to the Mexican proposals. On one hand, the internal effort we have made is recognized on the international scene; on the other hand, there already is concern and political interest at the highest level to find a solution to this problem, which is not unique to the developing countries; it also affects industrialized countries."

[Diaz] Would it help to put our house in order a little to strengthen our position in the renegotiation?

[Salinas] I have insisted that an internal climate of unity unquestionably gives us strength in facing the international creditors. We have been constructing the elements that give us that unity; we have been creating the climate to strengthen internal unity; and I am convinced that solid unity among Mexicans exists behind our negotiators who are going to face the international creditors.

[Diaz] Is the interest being paid normally?

[Salinas] Yes, we are paying the interest while the negotiations are in progress.

[Diaz] Mr President, going on to another subject, what is your government's position on Central America? Will your administration continue to maintain its viewpoint concerning Nicaragua, the rest of the countries, Esquipulas, and Contadora?

[Salinas] Esquipulas is the option the Central American countries chose to establish a dialogue on the common problems affecting them. This is a sovereign decision of those countries, a decision we are all obliged to respect. Based on respect for that decision, we must help it achieve positive results.

"We have borders with Central America; Guatemala is a country to which we are tied with bonds of brotherhood and respect. We also have a border with Belize. Central America is a region where we hope to strengthen our relations, and we observe its development with great interest; instability or lack of development in that region puts us at risk to waves of mass immigrations from Central America toward Mexico, either to remain here or to continue through to the United States. These immigrations place severe social pressure on the economic problems we already have.

"Therefore, I believe the spirit of Esquipulas II is important. It insists on a political solution to the conflict, a solution that permits the region's development. Central America urgently needs economic development to satisfy the demands of its peoples, but our nation is also interested in that development occurring to prevent future social pressure toward the interior of Mexico, as is the case with the immigrations I pointed out a moment ago."

[Diaz] Will Contadora continue to receive the same emphasis?

[Salinas] The emphasis will be on the solution Central Americans find in Esquipulas II.

[Diaz] Do you believe the Nicaraguan Government is Marxist?

[Salinas] It is a government Mexico recognizes in the framework of the Estrada doctrine. Its definition corresponds to the Nicaraguans.

[Diaz] What will be your administration's foreign policy priorities?

[Salinas] It will be an active foreign policy, realistic and with principles. It will be active in that there will be greater relations with other countries. Mexico has great specific international influence which Mexicans must recognize and act accordingly.

"The governments of other countries also demand that Mexico have a greater presence, a more active presence, but we will act based on principles, the principles that are already hallowed in the Constitution: respect for self-determination, nonintervention, support for development, and the struggle for peace. We are faced with an extraordinary opportunity. On the international scene, the two great powers are already attaining far-reaching disarmament agreements that enable us to see the end of the so-called cold war. There is a real change in international political relations. However, at the same time the economy has had its own dynamism, and this dynamism has made the great centers that generate growth, trade, and technological and financial changes drift toward military hegemony. This international change and transformation obliges us to be more active and to participate more due to our traditional policy principles.

"Undoubtedly we are interested in having dignified, respectful, and cordial relations with the United States. Strengthening our relations with Guatemala and Belize, our other two neighbors, is very important. We must turn our sights toward Latin America, especially in the cultural field, and emphasize specific projects in which our peoples can see real accomplishments.

"I am very interested in strengthening relations with Japan, and through Japan with the entire Pacific basin,

while not losing the traditional relations we have had with Europe. However, I understand the new developments that have occurred in Europe, the creation of the great community, which will give it a tremendous economic strength. Mexico must strengthen its relations with that community to benefit from that new transformation of Europe."

[Díaz] What is the present state of Mexican-U.S. relations? What are the points of difference and rapprochement, and how could the differences be limited?

[Salinas] Relations with the new administration are respectful, cordial, and positive. I find in President Bush absolute respect for our great nation. We would not accept otherwise. At the same time, he is interested in strengthening this respect.

"There are four areas, four subjects, that can generate difficulties in our relations and at the same time be opportunities to strengthen them: the foreign debt, drug trafficking, trade, and workers without documentation. These are matters that I discussed with President Bush at our talks in Houston. On these topics I propose to act—responsibly—with firmness, vigor, and effectiveness. I received a positive response from President Bush on these four subjects."

Costa Rica

Government Note to Panama on U.S. Troop Presence
PA0102180189 Panama City ACAN in Spanish
1617 GMT 1 Feb 89

[Text] San Jose, 1 Feb (ACAN-EFE)—Costa Rica handed an official note to Dario Arosemena, the Panamanian ambassador in this country, which provided assurances that the U.S. troops on the Osa Peninsula near the Panamanian border are only performing civil engineering tasks.

A large U.S. contingent made up of 740 military engineers and much heavy equipment, arrived recently in Costa Rica to rebuild bridges and roads destroyed in October by Hurricane Joan.

There was much excitement and concern over the presence of this contingent among diplomatic and political circles in the Costa Rican capital. Various rumors have been circulating regarding the reason for the presence of U.S. troops near the Panamanian border.

A European diplomat told ACAN-EFE that due to the concern that the U.S. troop presence has generated, several embassies from EEC countries have received "reassuring explanations" from the United States.

According to reports received by ACAN-EFE today, Ambassador Arosemena met on Tuesday with Costa Rican Foreign Minister Rodrigo Madrigal Nieto, who gave Arosemena "absolute guarantees" that Costa Rican territory would not be used to harm Panama.

Arosemena appeared satisfied by the written guarantees given by the Costa Rican foreign minister but confirmed that the Panamanian Government has repeatedly told the Costa Rican Government of its concern over the presence in this country of people who oppose the Panamanian regime.

In recent months, the border between Panama and Costa Rica has been the scene of repeated incidents in which Panamanian military personnel have made unauthorized entries into Costa Rican territory, according to Costa Rican reports.

Arias Meets Sarney, Castro; Leaders To Meet
PA0202201289 San Jose Radio Impacto in Spanish
1859 GMT 2 Feb 89

[Report by correspondent Mario Carmona from Caracas—live or recorded]

[Text] President Oscar Arias Sanchez has maintained a busy schedule since arriving in Caracas for the inauguration this morning of Carlos Andres Perez. Once the ceremony ended, President Arias went to the Caracas Hilton Hotel, where he is staying, and met with Brazilian President Jose Sarney. Immediately afterwards he talked

with IDB President Enrique Iglesias. Arias met Fidel Castro in one of the hotel's hallways, and Castro asked him to change the time of their meeting, scheduled for 1330 today, but Arias could not agree to do so. [passage indistinct]

At 1400 Fidel Castro, the dictator, met with President Arias. Following the meeting, Fidel Castro issued some statements to the Costa Rican press and said he admired Oscar Arias for the support he had given to Central America's search for peace in the region.

Arias has scheduled a meeting with Nicaraguan President Daniel Ortega, U.S. Vice President Dan Quayle, and Spanish Prime Minister Felipe Gonzalez.

Likewise, we report that the Central American foreign ministers met this morning with the UN Director for Latin America. Foreign Minister Rodrigo Madrigal Nieto asserted that the meeting has not concluded and will continue this evening. They will try to reach an agreement on the possible date for the foreign ministers meeting and the presidential summit, which is scheduled for 13-14 February in El Salvador.

According to a last minute report, the four Central American presidents who are here for Carlos Andres Perez' inauguration will meet tomorrow in Caracas.

Mexico's EXCELSIOR Interviews Madrigal
PA0202163389 Mexico City EXCELSIOR in Spanish
24 Jan 89 pp 2-A, 29-A

["Part I" of report by Jose Melendez on "exclusive interview" with Costa Rican Foreign Minister Rodrigo Madrigal Nieto in San Jose, Costa Rica on 23 January]

[Text] San Jose, 23 Jan—Costa Rican Foreign Minister Rodrigo Madrigal Nieto said here today that in view of "the historic times the world is experiencing," Latin America must promote "very constructive initiatives" so the United States will help find more practical ways of coexistence and a more dynamic dialogue between Washington and Latin American countries.

In an exclusive interview with EXCELSIOR, Madrigal said he attaches "great importance" to the Central American tour that Mexican Foreign Secretary Fernando Solana will begin on 24 January because "I believe we must promote a new dialogue with the United States, taking advantage, among other things, of the new U.S. Administration" headed by President George Bush, who was inaugurated on 20 January.

Madrigal said the U.S. leaders "would act against history if they refuse to recognize Central American unity and our determination to find solutions to our own problems; they would act against history if they refuse to recognize that and show no understanding of what is going on here. I, however, have no reason to believe they do not support Central American unity."

"We cannot be a toy democracy. Insofar as we want others to solve our problems, we are giving up our sovereignty," Foreign Minister Madrigal said, emphasizing that "we must continue consolidating our nationality, forging ourselves as nations, and solving our own problems."

Madrigal added that "all these actions created a possibility for Latin American peoples to join efforts to talk and find ways to promote a new dialogue with the United States. Undoubtedly one of the regions most closely linked to Mexico is Central America. You must remember that a long time ago it was said that Central America ended in Costa Rica, a country already linked to Mexico by a thousand different reasons."

"It seems to me that President Carlos Salinas de Gortari's government is setting a new course for its foreign policy, which without drifting from the basic principles that have always inspired Mexican foreign policy—such as the principles of nonintervention, respect for sovereignty, etc—will perhaps take a more thorough look into the Central American political scene and will want to discreetly and intelligently help find the best solutions to Central America's problems."

The Costa Rican foreign minister added that Solana Morales—whom he described as a "perceptive" man—"comes now to tour Central America, a region closely linked to Mexico both in the past and in the present, and we will use this opportunity to welcome him warmly and to tell him how determined we are to join efforts to promote a new dialogue between the United States and Central America."

In his first tour abroad since he became Mexican foreign secretary, Solana will visit Guatemala on 24 January, Costa Rica on 25 January, Nicaragua on 26 January, and then El Salvador and Honduras. In Costa Rica, Foreign Secretary Solana will be welcomed by President Oscar Arias, with whom he will talk before meeting with Foreign Minister Madrigal.

Madrigal said that "undoubtedly we will assess the Central American problem, because Costa Rica is interested in hearing Mexico's opinion about it. The Central American countries' determination to study and solve their own problems does not mean we will not hear authoritative opinions of other countries. I especially appreciate Mexico's opinion about our problem."

Regarding Solana's tour, Madrigal said: "It seems very important to me. Throughout history, Mexico has shown a great interest in Central America."

Regarding Solana himself, Madrigal said: "He is a very experienced man and he also has great knowledge in other fields such as culture and finance. It seems to me he is a perceptive man and it will be very useful and flattering to meet with him to compare our views of the

current Central American situation and the goals our countries hope to achieve. I hope our meeting will help us shape the democracy that I am sure we all long for in our Central America."

Madrigal added that "for those reasons, I believe Foreign Secretary Solana's tour is very important and appropriate. I believe we must start a new dialogue with the United States, taking advantage, among other things, of the new U.S. Administration, which has the new spirit and personality of the new men in the White House, regardless of their ties to the previous administration."

Madrigal recalled that in his inaugural speech, President Bush "repeatedly said there were new winds in Washington that would bring a spirit of understanding and peace in both U.S. domestic and foreign affairs."

In addition to the new U.S. Government, there is a new Mexican Government and there will soon be a new Venezuelan Government. There is also a Central American peace process and a reestablishment of contact with Cuba can be forecast. Do you think this is a strategic time in relations between Latin America and Washington and that this is the right time to rebuild those relations, even with past U.S. actions such as the U.S. position during the Malvinas War, the foreign debt, the Central American crisis, and other conflicts?

"We cannot talk about rebuilding relations, because relations between Washington and Latin America were never destroyed or lost. Those relations continue."

"What I do believe is that circumstances, the world's present situation, and the changes taking place in the Soviet Union, and even in a subcontinent like China, open perspectives and paths for negotiations and for a much more dynamic dialogue. I think we must promote constructive initiatives from both Washington and Latin America to find practical ways for coexistence."

"Let us take foreign debt. It is not enough to say: 'We creditors are on one side. You debtors are on the other. See what you can do.' The two sides should meet to find an intelligent solution to the problem."

"I could give you many examples like this, in which cooperation and understanding should be the core of the relationship" between the United States and Latin America.

El Salvador

Quayle Visit Creating 'Great Expectations'
PA0202190189 San Salvador Radio Cadena YSKL
in Spanish 1200 GMT 2 Feb 89

[Text] U.S. Vice President Dan Quayle's visit to El Salvador, scheduled for 3 February, has created great expectations among Salvadoran politicians, who for the past week have been debating a proposal to postpone the presidential elections for 6 months.

Quayle will be traveling to Venezuela to attend the inauguration of the new Venezuelan President Carlos Andres Perez, and 2 days later he will spend 2 hours in El Salvador, a country which, for the past 9 years, has been ravaged by a war that so far has claimed 70,000 lives.

Salvadoran Government sources have stated, without providing a specific agenda, that Vice President Quayle will have lunch with President Jose Napoleon Duarte. He will also meet with members of the Salvadoran Army's High Command and with various political leaders, including some from the opposition. The U.S. vice president's visit to El Salvador is his first abroad and comes at a difficult time for El Salvador, particularly because there is an ongoing political debate regarding a new proposal by the guerrillas to take part in the elections provided a new electoral framework can be negotiated.

The guerrillas' request for a postponement of the elections, from 19 March to 15 September, coincides with the increasingly intense criticism leveled by U.S. politicians of the former Reagan administration, which during two terms gave \$3.2 billion in military and economic aid to El Salvador. In addition, in the United States it has been said that while El Salvador is one of the United States' main allies in Central America, the violation of human rights by the Salvadoran Army continues to be a problem as guerrilla forces have not been defeated and continue to increase their attacks on military targets.

In El Salvador, right-wing politicians fear that Vice President Quayle's visit might be intended to pressure President Duarte into accepting the guerrillas' proposal and postponing the elections. Salvadoran politicians interviewed by ACAN-EFE have agreed in saying that U.S. economic aid must continue; yet they disagree on the possibility of pressing the Salvadoran Government to accept the guerrilla proposal—either all or part of it.

Diplomatic sources stated unequivocally that a postponement of the elections would benefit almost all political parties, especially the ruling Christian Democratic Party and its splinter groups, but would harm the rightist Nationalist Republican Alliance (ARENA), which leads voter polls.

A spokesman for ARENA said the guerrillas' proposal is a ploy, that the presidential elections must take place as scheduled, and that his party will emerge as the winner in the first round of voting.

Political observers have reported that the guerrillas, who for the first time are proposing their acceptance of the election results, would on the one hand be promoting a solution to the armed conflict while, on the other, would be laying the bases for talks with the new U.S. Administration, which, according to them, is the real center of power.

One FMLN leader said one must be creative to achieve peace in El Salvador.

FMLN: Quayle Visit Seeks 'New Alternatives'
PA0302042589 Panama City ACAN in Spanish
0232 GMT 3 Feb 89

[Text] Managua, 2 Feb (ACAN-EFE)—Salvadoran guerrilla Commander Nidia Diaz said in Managua today that U.S. Vice President Dan Quayle's visit to El Salvador shows Washington's interest in "seeking new alternatives" to military conflict in that country.

During a stopover in Managua enroute to Mexico, the FMLN leader said that Quayle is going to El Salvador to sound out "the feeling of Salvadoran political forces on the guerrillas' proposal," about the postponement of the presidential elections.

Diaz said that the Nationalist Republican Alliance (ARENA), a rightwing party in El Salvador, received the news of Quayle's visit with "fear" because it believes the U.S. official will pressure the Salvadoran Government to accept the guerrilla proposal and negotiate a new electoral timetable.

The FMLN announced last week that it would accept the results of the Salvadoran elections, scheduled for March, if the elections are postponed until September to provide electoral guarantees.

Diaz hopes that Quayle will urge Salvadoran President Jose Napoleon Duarte to accept the proposal to prevent a "social explosion" in that nation.

The guerrilla commander added that the FMLN has ordered the suspension of attacks on U.S. diplomats as a gesture to create the "right climate" for the discussion of the rebel offer.

Initially, ARENA gave a categorical "no" to the rebel proposal but, at the last minute, changed its position and announced today that the offer will be considered "jointly" by all the Salvadoran political parties. The guerrilla commander warned that if the FMLN offer gets no support, "a social explosion, an unprecedented situation would follow" in the country's 9-year old conflict.

"What would happen in El Salvador would not be a classical insurrection," Diaz noted after warning that "a strike to protest hunger could be declared, or a full mobilization."

Regarding the appointment of Bernard Aronson as the new U.S. assistant secretary of state for inter-American affairs, Diaz said that although she did not know his "background," she hoped that "Aronson would follow the new administration's policy of consultation" with regard to Latin America.

Movement Denounces Visit

PA0202195889 San Salvador Radio Cadena YSKL
in Spanish 1200 GMT 2 Feb 89

[Paid advertisement by the Bread, Land, Work, and Freedom Movement]

[Text] The Bread, Land, Work, and Freedom Movement (MPTTL) repudiates the presence of U.S. Vice President Dan Quayle in our country, since this visit provides another example of Yankee imperialism, which continues to trample on our national sovereignty.

On this occasion, he is coming to give orders to the Yankee advisers and to the puppet Duarte, because today they [the United States] are incapable of dominating our people with the millions of dollars sent to Duarte and to the military high command to finance the war. Quayle's presence brings more repression and war to the people, as shown by the military encirclement of the University of El Salvador, the detention of Jaime Estevez, Margarita Navarro, Alfredo (Lemos), and Dimas Echeverria, and the failure to settle workers' demands.

The MPTTL calls on the masses to join in the people's fight as the only alternative to achieve a democratic government of the people.

CD Reaction to Quayle Visit, FMLN Proposal

PA0302034189 San Salvador Radio Cadena YSU
in Spanish 1800 GMT 2 Feb 89

[Report by Carlos Ernesto Rugama on statements by Democratic Convergence leaders Ruben Zamora and Hector Oqueli on 2 February—place not given; passages within quotation marks recorded]

[Text] Democratic Convergence [CD] Political Commission leader Ruben Zamora has made the following remarks on the recent FMLN proposal on the elections:

[Zamora] "The CD insists that the constitutional objections raised to reject the FMLN proposal are groundless. Article No 155 of our Constitution provides guidelines to settle the question of postponing the elections. The only requirement is that all the political parties must be willing to place the interests of peace for all Salvadorans above the parties' individual interests. That is why the CD wants to warn the Salvadoran people of the danger we now see. A proposal like this may be left unanswered.

"We admit, however, that there have been some changes in the past 5 days. Some parties have gone from totally opposing the proposal to reviewing or accepting it. Still, the serious danger is that the constitutional issue may be left unresolved until it is impossible to implement the proposal. The CD is thus not only asking that all the political parties begin an in-depth discussion of the

constitutional issue; we are also noting the urgent need to begin direct talks between the FMLN and the Executive and Legislative Branches, with the participation of the political parties."

Commenting on tomorrow's arrival of U.S. Vice President Dan Quayle in El Salvador, Hector Oqueli said the people will welcome it if he brings political, not military, solutions to the war:

[Oqueli] "We think U.S. Vice President Quayle's visit following the inauguration of Venezuelan President Carlos Andres Perez shows the importance the new U.S. Administration has attributed to the situation in El Salvador. We must view the visit this way. Vice President Quayle is following protocol by being in Caracas today, because the U.S. Vice President usually attends the inauguration of Latin American presidents. U.S. protocol dictates he must go to greet the new head of state. The Quayle visit will be the new U.S. Administration's first test of its Latin American and Central American policies.

"I must recall the visit by then-Vice President Bush to El Salvador several years ago. He came to demand that the Armed Forces be cleaned up. We think the Salvadoran Government must comment on the FMLN proposal before Quayle's visit. If not, it may be said that Vice President Quayle came to order or instruct the government on what position it should take on the proposal.

"We think the visit will be important. Most of all, we hope Vice President Quayle will come to El Salvador to promote political, not military, solutions. We ask U.S. Vice President Quayle and the new administration to seek peace and dialogue in El Salvador, as well as political, not military, solutions."

The members of the leftist coalition noted that the latest reaction by groups opposed to the FMLN and even by the government is already positive and encouraging. As for the negative positions on the proposal, this means some groups fear that the Salvadoran conflict will soon end, they remarked.

ARENA Proposes Amnesty for FMLN Leaders

PA0202200189 San Salvador Canal Doce Television
in Spanish 0300 GMT 2 Feb 89

[Report by Mauricio Funez; passages within quotation marks recorded]

[Text] The ARENA [Nationalist Republican Alliance] faction this morning requested at the Legislative Assembly a 72-hour amnesty so FMLN commanders may enter the country and explain their proposal. The draft decree was presented by Major Roberto D'Aubuisson and is expected to be discussed at tomorrow's plenary meeting.

The ARENA leadership submitted the draft decree and explained that the dialogue with the FMLN leaders or representatives may have a positive effect and allow the achievement of peace, provided the dialogue is held in accordance with the country's laws. Major D'Aubuisson said the amnesty is included in the country's judicial guidelines as the way to end a penal action.

The draft bill, known as Temporary Amnesty Law for a Peace Dialogue, will become effective on 10, 11, and 12 February if it is approved on Thursday.

[D'Aubuisson] "Temporary Amnesty Law for a Peace Dialogue:

"Article 1. The law establishes a temporary amnesty for the leaders or representatives of groups currently in arms.

"Article 2. The amnesty is granted for a 72-hour period so said leaders or representatives may participate in a dialogue with the Legislative Assembly's Political Commission at the Legislative Palace on 10, 11, and 12 February with the intention of establishing the mechanisms for achieving peace and tranquillity in the country.

"Article 3. The law recognizes, as leaders or representatives of the groups in arms, the citizens who have claimed that status and who are listed among the ranks of commanders in the FMLN proposal to turn the elections into a mechanism to achieve peace. The leaders or commanders are: Roberto Roca, Shafik Handal, Joaquin Villalobos, Leonel Gonzalez, and Ferman Cienfuegos.

"Article 4. The law will become effective upon its publication in the official gazette."

D'Aubuisson denied that his party had rejected the FMLN's political proposal. Nevertheless, Colonel Sigfrido Ochoa Perez, vice president of the Legislative Assembly, issued a statement last week ruling out the possibility of a dialogue with the guerrillas.

[D'Aubuisson] "He did not term the proposal as unacceptable. He said the proposal should be (?carefully) studied and added that it seemed like a carefully prepared trap. In our view, since the FMLN leaders believe the Legislative Assembly proved its interest in their proposal by receiving it, then they should come and explain it. They should be given the opportunity to prove that they issued a proposal in good faith. Otherwise, it is simply a strategic move to cause a deep institutional crisis—which we believe to be the case."

D'Aubuisson also asserted that ARENA will continue to work within the guidelines established by the Constitution concerning the elections. He added that the draft decree should be considered a joint effort by his faction but that

it has nothing to do with a postponement of the presidential elections. He added that deputies of the Political Commission will meet on Thursday with other parties and military officers to study the FMLN proposal.

ARENA Candidate Rejects FMLN Proposal
*PA0302041689 San Salvador Radio Cadena YSKL
in Spanish 1200 GMT 2 Feb 89*

[Text] We must protect our legal system, and no political party—much less a government agency—has the right to violate the Constitution, ARENA [Nationalist Republican Alliance] presidential candidate Alfredo Cristiani said during a news conference at which he rejected the FMLN's proposal. We must all struggle to protect our legal system, said Cristiani, whose increasing popularity guarantees the Cristiani-Merino ticket's victory in the 19 March elections.

The ARENA candidate categorically stated that the FMLN's conditions are unacceptable because no citizen or political party is above the Constitution.

Guerrilla Communique on Peace Proposal 'Debate'
*PA0202195289 San Salvador Radio Cadena YSU
in Spanish 1841 GMT 2 Feb 89*

["Text" of communique issued by the FMLN General Command in El Salvador; date not given]

[Text] The FMLN is pleased with the debate that has resulted from our peace proposal. For this debate to yield positive results, we feel it is necessary that every sector should participate, be flexible, and want peace. For this reason, we offer the following suggestions:

1. The constitutional argument has no moral or political validity. The current constitution was drafted in a divided nation, during the escalation of the war, and while genocide was being carried out. Proof of this is that Major Roberto D'Aubuisson, the man everyone points to as the leader of the death squads and who is believed to be responsible for Msgr Arnulfo Romero's assassination, was the man who, as president of the Constituent Assembly, signed the Constitution.
2. The phrase, unconstitutional obstacle, has no political power to convince the people who want peace. This war has been waged at the cost of the lives of Salvadoran laborers, peasants, students, and professionals from both sides.
3. Those who use the Constitution to hinder peace have no right to decide the future of the homeland; they are only interested in strengthening their position within the government by supporting fraudulent elections and continuing a war that they are not financing but from which they profit.

4. The Salvadoran conflict threatens the peace and stability of Central America and Latin America; therefore, the world is interested in seeing this problem solved. Anyone opposing a negotiated solution will only be promoting a social explosion amid international isolation.

The request for the postponement of the elections is reasonable if we take into consideration the fact that holding them in March without solving the problem of the war will only lead the country to a greater crisis.

On the other hand, the FMLN cannot seriously prepare, in such a short time, to participate in the elections and work for peace. Not taking this into consideration is the same as asking for our unconditional surrender—something that is not in accord with the correlation of forces in the conflict nor with the immediate outlook of the situation that does not favor the Armed Forces or the government.

The FMLN is taking into consideration all the suggestions presented by the various sectors. We are willing to hear and analyze a reasonable counterproposal. We call on all the sectors to express their opinion and participate so that together we may find a solution.

[Signed] Commanders Joaquin Villalobos, Jorge Shafik Handal, Leonel Gonzales, Roberto Roca, and Ferman Cienfuegos.

[(Clandestine) Radio Venceremos in Spanish to El Salvador at 0008 GMT on 3 February broadcasts a version of this item. The Radio Venceremos version has been compared to the San Salvador Radio Cadena YSU version and found to be identical.]

Legislative Assembly Meets With Party Leaders
PA0302050389 San Salvador Canal Doce Television in Spanish 0300 GMT 3 Feb 89

[Text] A meeting of the Legislative Assembly's Political Commission with political party leaders ended at noon today with a commitment to draft a counterproposal to the FMLN proposal.

The meeting was called by deputies who are members of the Political Commission to discuss the FMLN's 24 January offer. Although it was expected that the proposed ARENA [Nationalist Republican Alliance] alternative would be the main subject of the discussion, in the end the participants agreed to continue the discussions on the guerrillas' proposal outside the government branches.

[Begin recording of unidentified deputy] With the exception of the Christian Democratic Party [PDC], the parties present at the meeting unanimously agreed to continue the discussions or to hold meetings to study this proposal outside the Legislative Assembly and the Presidential Palace. This will prevent anyone from coming

up with excuses not to participate in these talks. We all agreed to make an effort to study the proposal so we can show our intention to seek peace.

We will meet on Monday, 6 February. All political parties, including the PDC, will be summoned to this meeting on Monday so we can choose, through a drawing, the party office where future meetings will be held. We will rotate the site of the meeting in accordance with the results of this drawing.

We will then come up with a proposal, based on a consensus, to be presented to the FMLN. [end recording]

Aside from this agreement among the parties, the FMLN demand to postpone the elections until after 19 March was not discussed at the meeting. The draft bill on a temporary amnesty for guerrilla commanders proposed by ARENA was shelved. It was only agreed that the Assembly's Legislative Commission would study the bill.

[Begin recording of unidentified deputy] ARENA has also agreed to postpone the amnesty request. ARENA concluded that nothing must be done as an isolated action, because it would obstruct the talks we will hold at the party level. [end recording]

Panama

Foreign Minister on Solis' Palma Trip to Caracas
PA0302031389 Panama City Domestic Service in Spanish 0246 GMT 2 Feb 89

[Interview with Foreign Minister Jorge Ritter by unidentified reporters at the Tocumen Military Airport in Panama City on 1 February—recorded]

[Text] [Ritter] This is the first time Panamanian President Manuel Solis Palma has attended a foreign presidential inauguration. Several presidents and former presidents will attend Carlos Andres Perez' inauguration. This is a meeting of the whole continent. After the ceremony held 12 years ago for the signing of the Torrijos-Carter treaties, there may not have been another meeting in Latin America which gathered so many leaders and presidents as tomorrow's ceremony in Caracas.

[Reporter] U.S. Vice President Dan Quayle will attend the ceremony. Will the Panamanian delegation try to meet with Vice President Quayle?

[Ritter] No, we have not scheduled any meetings with the U.S. delegation. Panama has repeatedly stated the basis on which it would normalize relations with the United States. That normalization could come at any time. I do not see an immediate possibility for such a meeting, but Panama is willing to normalize relations with the United States at any time on the basis of mutual respect and guarantees for Panamanian sovereignty.

[Reporter] Should we assume that President Solis Palma will meet with various Latin American presidents to discuss the Panamanian problem?

[Ritter] At all multilateral meetings, the presidents meet with each other. Members of the Panamanian delegation who are already in Caracas are drawing up an agenda for President Solis Palma in accordance with the schedules of the other presidents. Without giving details of his agenda, I can say that the Panamanian president will meet with several presidents one-to-one.

[Reporter] Will Solis Palma meet with the presidents of the Group of Eight countries?

[Ritter] With some of them perhaps, yes.

[Reporter] Is that confirmed?

[Ritter] President Solis could meet with some of the presidents of the member countries of the Group of Eight.

[Reporter] How do you view diplomatic relations between Panama and Venezuela now that Carlos Andres Perez is about to be the new Venezuelan president? What does Carlos Andres Perez mean to Panama?

[Ritter] Carlos Andres Perez represents a tradition of friendship between Panama and Venezuela. He has contributed to a feeling of brotherhood—I call it that because it transcends friendship—between Panama and Venezuela. Thanks to him, in 1977 Panama obtained the international solidarity that helped Panama sign the Torrijos-Carter treaties.

As former Venezuelan president, Perez was always concerned about Panama. He has always been well-informed on the situation in Panama and has always tried to help. His Presidency means an era of optimism and great expectations for Panama. Latin America as a whole has great expectations of Carlos Andres Perez' Presidency. Panama, as a friendly country, and as a country where President-elect Perez has many friends—as General Noriega said this morning... [changes thought] Perez has lived in our country and President Solis Palma has lived in Venezuela. In brief, all those things lead us to believe that relations between Panama and Venezuela will be strong and good during Carlos Andres Perez' term—as they have been until now—and even more so because of the long friendship between the two presidents and between President-elect Perez and Panama.

[Reporter] Have you talked with the new Venezuelan foreign minister appointed by Carlos Andres Perez, Mr Tejera Paris? And can you tell us who will be the new Panamanian ambassador to Venezuela?

[Ritter] I have not talked with the new Venezuelan Foreign Minister yet. I hope to meet with him in Caracas. Regarding the new Panamanian ambassador to

Venezuela, I prefer not to give you his name until the Venezuelan Government has accepted his credentials. As a minimum courtesy to the government from which we are requesting approval, we should not announce the name of the new ambassador until that government has accepted his credentials.

Solis Palma Meets Fidel Castro in Caracas

PA0302003289 Panama City Televisora Nacional
in Spanish 0005 GMT 3 Feb 89

[Text] A last-minute report from Caracas discloses that Cuban President Fidel Castro met with President Manuel Solis Palma this evening in the Panamanian president's suite at the Caracas Hilton. The meeting ended a few minutes ago. It was learned that Castro and Solis Palma talked about topics of common interest for Cuba and Panama, about Latin American integration, and about the problems of the Latin American and Caribbean countries.

Neither of the two presidents made any statements at the end of the meeting.

Electoral Tribunal Accepts ADO Documents

PA0302043289 Panama City Circuito RPC Television
in Spanish 2300 GMT 1 Feb 89

[Statement by Ramon Lima, lawyer of the Civic Democratic Opposition Alliance; date and place not given—recorded]

[Text] The Authentic Liberal Party yesterday corrected an omission in the documents that were presented to the Electoral Tribunal [TEP] on 30 January. The omission was that the minutes of the Authentic Liberal Party convention did not specify the party was joining the Civic Democratic Opposition Alliance [Civic ADO].

This omission was corrected yesterday, and all documents were submitted to the TEP secretary general, who accepted the documents. With these documents, the Civic ADO formally notifies the TEP that the Christian Democratic Party, MOLIRENA [Nationalist Liberal Republican Movement], and the Authentic Liberal Party have formed a political alliance called the Civic ADO.

We also submitted another memorandum notifying the TEP that the Civic ADO jointly nominated candidates for president and vice presidents. This memorandum was submitted this morning to the TEP secretary general, who, after examining the documents, ordered that the documents be accepted. This means, therefore, that the Civic ADO has presented to the TEP two memorandums: one announcing the establishment of the alliance and the other announcing the joint nomination of candidates for president and vice presidents.

Opposition Comments on COLINA Nomination
PA0302045189 Panama City ACAN in Spanish
1257 GMT 2 Feb 89

[Excerpts] Panama City, 2 Feb (ACAN-EFE)—The Panamanian National Liberation Coalition (COLINA), which supports the current government, yesterday named Carlos Duque as its presidential candidate. Duque is the president of the Democratic Revolutionary Party (PRD) and General Manuel Antonio Noriega's trusted aide. [passage omitted]

According to a spokesman of the Civic Democratic Opposition Alliance, the opposition coalition that will

face COLINA in the upcoming elections, "the selection confirms Noriega is the real candidate."

Guillermo Cochez, vice president of the Christian Democratic Party, scornfully said "the three (candidates) are Noriega's employees."

Moreover, Cochez denied that the COLINA nomination will open the way for a possible understanding between the United States and the Panamanian Government. He referred to Aquilino Boyd, COLINA candidate for second vice president, as a "leftover of the oligarchy who is out of his league." [passage omitted]

Argentina

Alfonsin Interviewed on La Tablada Incident
PY0202191289 Buenos Aires TELAM in Spanish
2251 GMT 1 Feb 89

[Text] Buenos Aires, 1 Feb (TELAM)—This is the text of the interview that President Raul Alfonsin granted today to Italian Radio and Television (RAI):

Reporter: Mr President, you went to the 3d Infantry Regiment at La Tablada when the battle was still going on. Was it a great risk?

Alfonsin: No, not at all. The battle was practically over. There were only some isolated snipers, but there was no danger.

Reporter: You wanted to go there to see the situation for yourself. Were you concerned about something in particular? Were you concerned about the situation of the prisoners?

Alfonsin: No. Before I arrived, General Arrillaga, who was the commander, had already requested the presence of a judge, and he had already arrived. I was not concerned about that. I wanted to be with the people and to congratulate those who engaged in such an important action because, in my opinion, they saved the country from major evils. I don't know whether you are aware of it. In my opinion, the plan was to seize the unit and to blame the action on extreme right groups with whom we had problems in the past. The seizure of the unit by those groups was then to be announced to the nation.

The plan was to make me react. They figured that I would defend myself and that I would summon the people to defend the institutions. They would then put on the show of the seizure of the unit by the people and they would execute the officers. This could have caused a problem that may have led us to a civil war. Had this happened, I would not have had confidence in the military who, in turn, would have believed that I set a trap for them. All this would have meant chaos.

Consequently, I believe that the sectors that took strong action in order to defend themselves from this subversive attack against the unit deserved the recognition of the Executive Branch and of the Argentine people as a whole. That is why I went to the unit.

Reporter: There is an inescapable political subject. Were you taken by surprise by the sudden return of armed subversion?

Alfonsin: By no means did we believe that ultra-leftist sectors were able to perform this type of action. We were aware of their presence. Our intelligence services, especially the State Intelligence Secretariat, were analyzing the situation. The incident, however, has caught all of us by surprise. This has happened with similar actions that

occurred in Italy, Europe, and all over the world. If in cases like this we placed all of the responsibility on the intelligence services, we would be childishly expecting that nothing unpleasant can ever happen in the world. The Bologna Railway Terminal incident cannot be blamed on a mistake by the intelligence services.

This type of action does happen, and they are very difficult to detect in advance. We can also mention the Red Brigade incidents and the abduction of Aldo Moro. Such things do occur and this is what happened.

Reporter: There have been comments that the terrorist group that attacked the unit may have had foreign support. What do you think about this?

Alfonsin: I do not have a conclusive opinion on the subject. We are very carefully considering it. We believe that among those who participated in the attack are Argentines who came from other countries. We obviously want to be very careful about this.

Reporter: You mentioned the tactical objective of the guerrillas. What were the strategic and political objectives? Even though the action seems illogical and insane, what was the logic of all this?

Alfonsin: The logic was the logic of terrorism, that is, to seize power through a plot. I believe that first they wanted to provoke a confrontation between the people and the Armed Forces with the objective of seizing power. It is very clear that their objective was to seize power. I believe that it is insane and that it is amazing that something like that should have happened in Argentina, because no other democracy in the Americas is as unconditioned and as broad as Argentine democracy. There might be a similar democracy somewhere else in the world, but it won't be a democracy with more respect for freedom, to which we have given unrestricted support. We observe full respect for human dignity. Despite the economic crisis we are experiencing, Argentina is the country in the Americas which devotes the largest percentage of its GNP to social sectors.

Consequently, Argentina is a place where any such attacks would have seemed impossible from the viewpoint of reason. But, as you see, it has happened because there is another logic, the logic of terror.

Reporter: You are not going to Caracas to attend the inauguration of President Carlos Andres Perez, but will remain in Buenos Aires. Are you afraid of the possibility of new terrorist incidents?

Alfonsin: Concerning terrorist actions, we can suppose that, considering the setback they have experienced, other actions will be carried out. Of course, the actions will be against other targets which are not as important—not as important as this incident. However, I want to

stay here just in case. But I am especially staying here because we are implementing many things, and I want to continue doing things personally.

I am very sorry that I will not be there with the great Latin American president named Carlos Andres Perez, and to give a farewell embrace to President Lusinchi, with whom we have done so many things—working for Latin American integration and asking from the industrialized nations a different treatment of the foreign debt issue and the drop in international prices for our products, which subject Latin America to an overwhelming political problem.

Reporter: Shortly before the La Tablada incident, you expressed concern about acts of rebellion or indiscipline—acts disrupting order within the Armed Forces, especially within the Army. Are you now more concerned or less concerned about the possibility of coup attempts by some Army sectors?

Alfonsin: In the face of this type of incident, I believe one must assume that everyone will feel the need to respect the chain of command and act with the appropriate discipline.

This would be logical. This is what one may expect, although I would not take it for granted. I can tell you that we will be the target of several attacks, and we are already confronting those attacks. On the one hand, the ultra-rightist sectors try to blame us for all of this, claiming that we have promoted, for example, our relations with Cuba and Nicaragua. But what we have really done is to maintain relations with everyone while upholding the principles of international law.

The reaction of Argentines and of the Argentine Foreign Ministry is predictable, as would be the reaction of any other country. Anything can happen anywhere in the world. It is obvious that that answer will be given by the Argentine Foreign Ministry, because it will be based on the principles of international law. Not only is this an ethical attitude, it is also a method by which we protect ourselves. If international law is not respected, the law of the jungle becomes the rule, and we are not the lion.

This is what we have always done. We have striven for peace and for pluralism, promoting integration in Latin America. This is our position. Those rightist sectors, however, maintain that we have paved the way for terrorism by establishing relations with Cuba and Nicaragua.

It has also been said that this situation has been caused by the trial of military men. As you know, those who committed excesses in the antisubversive war are being tried in court. We maintain that it was a struggle that had to be waged. Yet we admit there were excesses, and in this case the courts should take action.

If there had not been trials, there would have been violence a few days or months after the installation of the government, and many people would have surely taken the law into their own hands. I believe the claims of the ultra-rightist sectors are very deceptive, and that this position may also be supported by the rightist sectors who fail to realize the seriousness of the problem and who feel that they are playing with toys, or that this is fun.

There is also the ultra-rightist preaching. What do they say? They try to make us appear, in the eyes of the world, as a weak democracy, as a democracy that is under the tutelage of the military, as if the president were not exercising his full powers. These ideas have had repercussions in several places, from Uruguay to Spain. For example, Spanish television has prepared a program that is a real source of indignation, because while it is presented as being impartial, it is equivalent to a program in which I would analyze the Spanish situation in an interview with two ETA members and two followers of Tejero.

We know the international organization of terror has several channels to reach the mass media. Consequently, we are now the target of this type of preaching, which is very harmful for Argentina.

Finally, moral relativism is our real enemy. While we uphold absolute moral principles, the right and the left feed on moral relativism. The right upholds the morals of Hitler and the left the morals of Stalin. These positions are much closer than they might seem.

People who side with the left must be careful of the ultra-left. We are not going to blame all those of the left for these acts of terrorism. But the left cannot afford to simply say that the attack was a foolish thing because it only helps the right. This would suppose that had it helped the left, it would not be a foolish but an intelligent act. This is an aberration, and violence must be regarded as such, with absolute moral standards. Violence is evil, and the pursuit of power through violence is an aberration. This must be admitted by both the right and the left.

And what is also taking place here is that this attack was carried out within the framework of an electoral campaign, and there are certain opportunist positions trying to take advantage of the situation. I do not want to discuss this with the foreign media, but this is reaching levels we never dreamed of.

Reporter: You will relinquish power by the end of 1989. Is there a project you have not been able to fulfill after 6 years of government, and which project that you have fulfilled do you feel the most proud of?

Alfonsin: We have achieved the full affirmation of democracy. Here we have no human rights violations. There are no charges that can seriously be brought

against the government in this field. The transition was very difficult, but we have managed to achieve it through government action, insisting on this basic and essential principle.

Of course, this transition has been hindered by this episode and was hindered before by the uprising episodes that gave the ultra-left an opportunity to do what they have done. On many occasions I have referred to the dangers of "Lebanonization," in the sense that in a country people raise many flags, but no one raises the national flag. I have also said that violence generates more violence.

Nonetheless, we are meeting the demands of the transition to democracy. In order to do this, we also had to go through an economic transition because the old-time prosperous Argentina no longer existed. The agrarian sector had no more possibilities of supplying funds for the other sectors. The pension funds could no longer finance public works, and we could no longer increase our indebtedness as we had done in the past to support the old semiautarchic project.

We definitely had to implement this economic transition, and we have already started to do so. It will cost us much, but I am convinced we have started the countdown to launch Argentina into a better future. During this entire process we also had to put up with the debt problem. I believe that so far Argentina has obtained the best solutions to this problem. Nonetheless, I do not agree with the way in which the developed countries are leading the negotiations, and I hope to see those countries change their methods entirely this year.

It is also my opinion that we had to implement an administrative transition through projects that are still under way and that will be implemented despite the difficulties.

Reporter: What do you regret most, of the things you were not able to do?

Alfonsin: I would really have liked to create a more modern workers organization, one not linked to a single political party. This, however, has not been achieved. I do not say that everything done in this regard so far is negative. There are positive aspects to it, too, but linking a workers organization to a single party distorts the characteristics of such an organization. This is a goal that Argentine society as a whole, as well as the government, has not succeeded in achieving. Some progress, however, has been made.

I would also have liked to start a different type of foreign debt negotiation, and thus more swiftly meet the requirements of the decentralization project we have started and be able to move the capital to the south sooner. There are many projects waiting to be implemented, and maybe [UCR presidential candidate] Angeloz can succeed in doing so.

Reporter: Mr President, why did you not start a constitutional reform to enable you to run for a second term in office?

Alfonsin: Constitutional reform would only make sense if it could put an end to the absolute presidentialism [presidencialismo absoluto] in Argentina, which I do not believe is good for our country or for democracy. My running for a second term in office was not part of this concern.

Reporter: Do you believe there are better chances of reaching an agreement on the debt under the Bush administration?

Alfonsin: Yes, I do. No so much as a result of Bush's influence, but from the pressure of the international events. We can no longer stand this situation.

Reporter: You discussed this issue last year...

Alfonsin: Yes, Bush himself said something about it. I do not believe all the answers will be found right away, but I am sure that some things will change.

Says Incident 'Subversive Putsch'
PY0202172689 Buenos Aires BUENOS AIRES
HERALD in English 2 Feb 89 p 11

[Text] (DYN)—President Raul Alfonsin yesterday said that the guerrilla attack on the La Tablada Army base was a "subversive putsch" which could have led to civil war and accused the attackers of preparing a "parody" in order to sow mistrust among the Armed Forces, the Argentine Government, and the people.

Alfonsin told the RAI Italian broadcasting corporation that the attack was disguised to look like an uprising by Army hardliners whereupon the attackers went through the "parody" of letting in the "people" to "execute" the acting regimental commander.

"If the plan had gone well, I would have distrusted the military and they would have thought I had played a trick on them," Alfonsin said.

The President admitted that the attack had taken the intelligence services and everybody else by surprise, saying that nobody imagined that the left had the means of launching such an assault. Alfonsin added that he had not yet formed any final opinion on overseas support for the terrorists.

Asked if he was as worried as before about military uprisings, Alfonsin said he supposed that "all would feel the need to respect their superiors and act with the appropriate discipline."

CNI Chief Comments

PY0202223289 Buenos Aires TELAM in Spanish
1331 GMT 2 Feb 89

[Text] Buenos Aires, 2 Feb (TELAM)—Ricardo Natale, head of the National Intelligence Center (CNI), maintains that the group that took over the 3d Infantry Regiment at La Tablada "could be larger and have connections" with similar groups within the country, and he did not rule out that it could be linked to international groups.

Neither did Natale reject the existence of "coparticipants" in the takeover of the 3d Infantry Regiment who "were able to escape from the military and police forces."

Regarding the bodies that still have to be identified and from whom the Federal Police do not have fingerprint records, Natale stated that they could be the bodies of foreigners, but he stressed that "there is absolutely no indication as to their countries of origin."

He added that if the bodies cannot be identified through the technical means at the disposal of Argentine authorities, then "we will resort to INTERPOL."

Answering a question, Natale stated that both the SIDE [State Intelligence Secretariat] and the CNI "had evaluated the possibility" that groups linked to the ultra-right or the ultra-left could have been planning to carry out some type of action, "but it could not be determined whether they were going to put ideological actions aside in order to carry out armed actions."

Natale described Jorge Banos, a leader of the MTP [All for the Fatherland Movement], as a "controversial person" linked to leftist activities, the union sector, and the Third World, and he warned that after the La Tablada confrontations "the words and actions of Banos must be carefully studied and observed, because behind Banos, he said, there were other interests pertaining to the subversive actions in which he participated." [quotation marks as received]

Asked by Radio Continental, he also stated that "it is presumed that Francisco Provenzano could have participated in the takeover." Although "his whereabouts are unknown, his arrest has been ordered, and he is being intensely sought."

Guerrilla Leader Reportedly 'Escaped to Uruguay'
PY0202180989 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1515 GMT 2 Feb 89

[Text] Corrientes, 2 Feb (NA)—According to Radio Corrientes, guerrilla leader Enrique Gorriaran Merlo, who is sought by the courts for his alleged involvement

in the attack on the 3d Infantry Regiment in La Tablada, has reportedly escaped to Uruguay through Bella Union, a city in Uruguay which borders with the town of Monte Caseros, in Corrientes.

Radio Corrientes journalist Natalio Aides today reported the alleged itinerary that was followed by the former leader of the People's Revolutionary Army (ERP) after he was spotted several days ago in the Formosa and Corrientes provinces.

Quoting "highly reliable sources," Gorriaran Merlo, on 1 February, traveled by private plane from Ituzaingo to Monte Caseros. Aides added that the plane landed at a private airstrip.

Once in Monte Caseros, Gorriaran Merlo took a canoe and crossed the 1,800-meters wide Uruguay River to reach Bella Union, in Artigas Department.

Monte Caseros, a city that received public attention in 1988 when Colonel Aldo Rico took over a battalion and headed an uprising, is the site of provincial police, Naval Prefecture, and border police detachments.

Because of the huge littoral of the Uruguay River, it is very difficult to permanently patrol it. This probably helped the terrorist in his escape.

Corrientes Governor Ricardo Leconte has instructed the provincial police to increase the patrols in the area in view of the presence of groups that may be supporting Gorriaran Merlo.

Uruguayan Police Asked To Help

PY0202171589 Buenos Aires Domestic Service
in Spanish 1500 GMT 2 Feb 89

[Excerpt] In Montevideo, police sources have announced that the Argentine police have asked their Uruguayan counterparts to capture terrorist Enrique Gorriaran Merlo and two of his associates. They have been charged with participating in the attack on the La Tablada barracks.

The petition for arrest, which includes Argentine citizen Francisco Javier Provenzano and Carlos Alberto Burgos de los Santos, was made in keeping with the presumption that these three persons have fled to Uruguay following the attack on the military unit. [passage omitted]

Daily Director on La Tablada 'Fanatics'

PY0202114289 Buenos Aires Domestic Service
in Spanish 0100 GMT 2 Feb 89

[Text] Federico Fasano Martens, director of the Uruguayan daily LA REPUBLICA, tonight said that the members of the People's Resistance Front [Frente de Resistencia Popular, FRP] who were interviewed by his newspaper seemed to be well-meaning, yet mistaken, people. He said that they are fanatics.

Fasano was interviewed from Buenos Aires by a cable-vision station. He said that although the FRP communique mentions new activities, the group is no longer able to carry them out. They are finished, Fasano said. He added that 40 men and 6 women participated in the attack on the 3d Infantry Regiment at La Tablada.

Fasano said that his journalists first contacted two members of the All for the Fatherland Movement in Buenos Aires. The reporters were told that some of the group did not participate in the attack, and were not responsible for planning it.

The journalists also interviewed two members of the FRP, but Fasano would not identify them or reveal where the interview took place. He said that he was protecting privileged information sources.

The article published today refers to these FRP members as survivors of the attack on the regiment but Fasano was unable to confirm whether these FRP members participated inside the military unit or outside providing logistic support.

Army Sergeant Dies After La Tablada Incident
PY0202176989 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1555 GMT 2 Feb 89

[Text] Buenos Aires 2 Feb (NA)—It has been officially reported that Army Sergeant Ramon Orue died today.

Sergeant Orue was in coma for about 12 days as a result of the injuries he sustained during the seditious attack on the 3d Infantry Regiment in La Tablada.

According to a report issued by the Army Press Office, Sergeant Orue served in the 601 Commando Company. This unit took part in the operation which recovered the regiment that was attacked on 23 January.

European Parliament Chairman on Falklands Issue
PY0202176589 Buenos Aires TELAM in Spanish
1707 GMT 2 Feb 89

[Excerpt] Buenos Aires, 2 Feb (TELAM)—President Raul Alfonsin today received Lord Henry Plumb, chairman of the European Parliament and British representative. Plumb defined himself as "pro-Argentine," and proposes dialogue between the two countries over the Malvinas Islands.

In remarks made after the meeting, which lasted approximately 1 hour, Lord Plumb stressed the need for dialogue, "regardless of whether or not we reach an agreement." He added that President Alfonsin has expressed total agreement with him.

He added: "I think the only way to find common solutions is to sit and talk about our differences. These negotiations cannot be predetermined, because we cannot say that we will talk about one subject and not about another."

Plumb expressed hope that "before concluding my mission within the European Parliament we will find a form of rapprochement on the matters that keep us apart," referring always to the Malvinas issue.

Plumb also stressed the "high-degree of respect that European countries have for Argentine democracy." He added that he has transmitted to Alfonsin the solidarity of the European Parliament regarding the events at La Tablada Regiment.

At the end of the meeting, which was considered cordial and informal, Plumb gave to President Alfonsin a medal which bears the peace symbol, "in recognition of his work for world peace." [passage omitted]

Chile

Aylwin Accepts PDC Presidential Candidacy
PY0202142989 Buenos Aires TELAM in Spanish
0328 GMT 2 Feb 89

[Text] Santiago, 1 Feb (TELAM-ANSA)—Patricio Aylwin, the president of the Christian Democratic Party of Chile [PDC], has agreed to be the PDC candidate in the upcoming presidential elections following the defeat of the military government in the plebiscite, in which the extension of General Augusto Pinochet's term was proposed.

According to PDC sources, he will be the candidate who will represent the entire opposition. In the next few days the other opposition parties will decide whether to withdraw the other candidates and support Aylwin. This should occur this weekend when the PDC Executive Board, which has been specially summoned to nominate a candidate, will meet.

Thus, the long process, during which Gabriel Valdes, a former foreign minister, and Eduardo Frei, the son of late president Eduardo Frei, also ran, has ended with Aylwin's acceptance.

Carabineros Find Arms Cache in Rancagua
PY0202211689 Santiago Radio Chilena Network
in Spanish 1600 GMT 2 Feb 89

[Report from Rancagua by Antonio Cardenas]

[Text] Carabineros of Rancagua have raided a house at 195 (Ibena de Rios) Street in the (Groderos) district, where Carlos Rojas Cornejo, 19 years of age, lives.

Under his bed the police found a compartment measuring approximately 1 meter square, containing 250 kg of explosives of the [word indistinct] type, 45 sticks of

dynamite, 110 boxes of ammunition with each box containing 25 cartridges, two pairs of commando boots, a bottle of sulphuric acid, and 25 rifles.

Carabineros also found 2 boxes of plastic explosive bombs, 2 more kg of explosives, 60 meters of fuse for [word indistinct] and subversive propaganda in a shack near the (Anica Uno) mine in a sector of (Sancon). The subversive propaganda did not identify any of the known extremist groups.

The raids were made after Carlos Rojas Cornejo was questioned by the police. Carlos Rojas and other individuals held up a timber business, taking approximately 100,000 pesos. The group escaped in a stolen car, but ran into a Carabineros patrol. Rojas aimed a Czech-made submachinegun at Police Lieutenant Ricardo Yanez, but the gun did not fire. The police then arrested Carlos Arangel Medina and Carlos Rojas. The explosives were found in Rojas' house. The two men were put at the disposal of the military prosecutor of Cachapual. Two other individuals, a man and a woman, who participated in the hold-up are still at large.

Prisoners on Hunger Strike for Better Conditions
PY0302001189 Santiago Radio Chilena Network
in Spanish 2200 GMT 2 Feb 89

[Excerpt] There are now 34 political prisoners on a hunger strike demanding an improvement of their prison conditions and the acknowledgement that they have been arrested for political reasons.

On 16 January, 14 prisoners began a hunger strike in the Santiago penitentiary to obtain their transfer to the public prison, where most of the people arrested for political causes are being held.

This group, which started a hunger strike 17 days ago, has not yet obtained an answer from the judicial branch or the government. [passage omitted]

Ecuador

MPL Vows To Continue Armed Struggle
PA0202181289 Madrid EFE in Spanish 1647 GMT
2 Feb 89

[Text] Quito, 2 Feb (EFE)—The second largest rebel group in Ecuador, the "Free Homeland Montoneros" (MPL), announced today that it will not abandon the armed struggle and implicitly rejected the call for dialogue made by President Rodrigo Borja's government.

Without referring to the informal peace agreement reached by the government last week with the country's main rebel group, "Alfaro Lives, Dammit" (AVC), the MPL leadership stated it will take up arms "with even more strength until achieving the liberation of the Ecuadoran people and society."

When Ecuadoran Government Interior Minister Andres Vallejo publicly announced the agreement with the AVC, he made an indirect appeal to the MPL leaders to join the country's peace efforts.

The MPL communique released to EFE today calls for "building the people's power, preparing to achieve political power through organization, fighting until the bourgeoisie and imperialism are defeated, and forging revolutionary unity in the streets, the mountains, and the countryside."

The MPL accused Borja's government of increasing the people's problems by authorizing new hikes in the prices of staple products and "continuing to violate human rights."

According to the MPL, since last 10 August, the date Borja assumed power in Ecuador, there have been 4 assassinations, new cases of torture, 8 cases of people held incommunicado, 25 arbitrary arrests, and "actions by paramilitary bands that continue to go unpunished."

The group, which became active on 22 January 1986, states that it views with concern "the indifference of the institutional left, which cannot overcome the parliamentary limits imposed by the system."

Official on New Venezuelan, U.S. Governments
PA3101211889 Quito Voz de los Andes in Spanish
1230 GMT 29 Jan 89

[Text] The government has given due importance to the democratic change of government that will take place in Venezuela when Venezuelan President Jaime Lusinchi hands power to President-elect Carlos Andres Perez. This is why Ecuadoran President Rodrigo Borja will be going to that country. He will be accompanied by the foreign, government, and energy and mines ministers of Ecuador as well as by other important officials. Washington Herrera, secretary general of Ecuadoran Public Administration, reports:

[Begin Herrera recording] The brotherly people of Venezuela have an established democracy that came about after some conflicts with guerrillas in that country. Venezuelan democracy is demonstrating its strength and its substantial ability to democratically choose new presidents.

On this occasion, Carlos Andres Perez will become president for the second time. This is a good sign for Ecuador, because Perez and the president of Ecuador have been friends for a long time. We hope the two nations will implement firm actions within the framework of Latin American cooperation and brotherhood. [end recording]

In his statement to journalists this Saturday, Herrera also spoke about the new U.S. President's Latin American policy in general and toward our country in particular.

[Begin Herrera recording] We are pleased with the understanding the U.S. Government has demonstrated. It sees that the Ecuadoran Government is serious and responsible in leading the country. As long as there is clarity and honesty in the attitudes of the two governments, relations will remain good and even improve.

We are talking with banks and have noticed that the U.S. Government has changed its position on the need to politically focus on a problem that affects all the people of Latin America, the foreign debt problem. [end recording]

Our source is optimistic about the revival of the Andean pact.

[Begin Herrera recording] We believe that once Carlos Andres Perez assumes leadership of Venezuela, he will make evident his pragmatic views on Andean integration. We have just received from the president authorization to sign a \$20-million contract on credit for Andean trade.

I hope that in the next few days, while the president is in Caracas, this contract will go into effect so Ecuador may sell more to the Andean pact. [end recording]

In commenting on national affairs, Herrera said: We Ecuadoreans must control our desires so we all may contribute to reducing unrest and speculation, realizing that the struggle against inflation is a constant national objective.

Canada Approves Appointment of New Ambassador
PA0202004989 Quito *EL COMERCIO* in Spanish
23 Jan 89 p A-2

[Summary] The Ecuadoran Foreign Ministry has reported that the Canadian Government has approved the appointment of Jaime Moncayo Garcia, currently ambassador to the United States, as the new nonresident ambassador to Canada.

The Foreign Ministry also reported that it intends to reopen diplomatic offices in Ottawa and appoint a charge d'affaires with a view toward strengthening Ecuador's relations with Canada.

Paraguay

Stroessner Overthrown, Replaced by Rodriguez

Tank, Troop Movements Noted
PY0302024689 Asuncion *Radio Caritas* in Spanish
0032 GMT 3 Feb 89

[Report from mobile unit]

[Text] We are reporting from the streets of Asuncion. Dear listeners of Radio Caritas, we just covered the area of the Armed Forces Command Headquarters on Mariscal Lopez and General Santos Streets.

We were taken by surprise by a shot that made us leave the area in a hurry. We were really scared. We heard a shot very close to us. We saw eight tanks—heavy tanks—and guards at the street intersection near the Armed Forces Command Headquarters and also near the Presidential Escort Battalion.

We also saw a deployment of trucks carrying armed soldiers. This is what we were able to see. We reiterate that this is what we saw near the Armed Forces Command Headquarters: the deployment of tanks and armed soldiers.

Firing Near Cavalry Unit

PY0302014289 Asuncion *Radio Caritas* in Spanish
0130 GMT 3 Feb 89

[Text] Heavy firing was heard tonight in Asuncion. At 2145 heavy firing was heard in our capital, firing from rifles and machineguns, near the area of the 1st Cavalry Division.

According to witnesses and information from our listeners, the firing was from various caliber weapons and in some cases heavy weapons, and lasted for about 15 minutes. A few hours before, the civilian population was evacuated from the arsenal and the area near the cavalry. The real reason for this is not yet known.

Tank Movement Reported

PY0302021289 Asuncion *Radio Caritas* in Spanish
0138 GMT 3 Feb 89

[Report from mobile unit]

[Text] At this time we are on Espana Avenue near San Martin Avenue and can observe the deployment of light tanks and light armored cars, carrying troops from the I Army Corps, known by the people as the Cavalry of Campo Grande. These vehicles are moving around the traffic circle at Espana and San Martin Avenues. We have also seen some of these vehicles returning to the Cavalry headquarters. This is certainly a most unusual deployment.

We have also driven past the I Army Corps and noted that the lights were out. Then we noticed the movement of these light vehicles at great speed along Espana Avenue. At this time they are turning to the right near the residence of a high-ranking military chief who is well-known in this neighborhood of Las Carmelitas [referring to General Andres Rodriguez]. Right now the tanks are driving up San Martin Avenue.

As for the evacuation of people, we can say that most of the people are staying in their homes around the Cavalry headquarters. There is no widespread alarm at this time in this area. We can attest to this because we were near the War Materiel Arsenal and saw nothing unusual about

the people's reaction. But we found out that many people had left their homes in the wake of spreading rumors. The neighbors affirmed that they were only rumors.

Tanks Attack Police Station

*PY0302025489 Asuncion Radio Caritas in Spanish
0247 GMT 3 Jan 89*

[Report from mobile unit]

[Text] The shooting around the Government Palace is quite intense. You can hear the firing of heavy weapons. The tanks are now shooting at police headquarters. The tanks are hitting the police. The fighting is harsh. Black smoke can be seen in front of the police headquarters. There is heavy exchange of fire downtown. This is all we can report.

Recent 'Rumors' of Unrest

*PY0302042789 Buenos Aires TELAM in Spanish
0330 GMT 3 Feb 89*

[Excerpt] Asuncion, 2 Feb (TELAM-DPA)—[Passage omitted] According to all indications, a confrontation is taking place between the forces that support General Andres Rodriguez and those loyal to President Alfredo Stroessner.

There have been rumors in the last few days about unrest among the sectors of the Armed Forces loyal to General Rodriguez due to a reorganization of the high command, made early in January, and the recent economic measures.

Rebel Statement Broadcast

*PY0302040489 Asuncion Primero de Marzo in Spanish
0340 GMT 3 Feb 89*

[Text] Attention Paraguayan people. We are on the air to allow you to listen to our commander, Division General Andres Rodriguez.

We call on you to remain calm and to be patriotic.

Listen to General Andres Rodriguez:

[Rodriguez] Dear countrymen and esteemed comrades of the Armed Forces: We have left our barracks to defend the dignity and honor of the Armed Forces, for the total and complete unification of the Colorado Party in government, for the initiation of the democratization of Paraguay, for respect for human rights, and for respect for our Christian, apostolic, Roman Catholic religion. This is what I am offering you, with the sacrifice of Paraguayan soldiers for our valiant and noble Paraguayan people. I hope the comrades of the Armed Forces will join me in this situation because we are defending a noble and just cause which will bring benefits to our heroic and noble Paraguayan people. Thank you.

Planes Fly Over Asuncion

*PY0302044989 Asuncion Radio Caritas in Spanish
0432 GMT 3 Feb 89*

[Text] There are planes now. Please listen to the Air Force planes flying over downtown Asuncion. I believe we are broadcasting the noise of the planes flying over the downtown area. Let us contact the mobile unit now:

[Begin mobile unit report] Yes, that is right. There are Air Force planes flying low over downtown Asuncion, and artillery fire can be heard. We have hoisted a white flag. The planes are continuing to fly now. They have been repelled with shots. People standing nearby say there are two Xavantes planes with their red war lights on.

Please listen to them. [end report]

Rodriguez Message to Diplomats

*PY0302051089 Asuncion Radio Primero de Marzo
in Spanish 0448 GMT 3 Feb 89*

[Statement by General Andres Rodriguez, given in Asuncion on 3 February—read by announcer]

[Text] Asuncion, 3 February 1989.

Messrs members of the diplomatic corps accredited to the Republic of Paraguay;

Esteemed representatives of friendly countries;

It became necessary for the Paraguayan soldier to make his presence felt once again to defend the inalienable rights of man, which were being trampled in our dear fatherland. With the sacrifice of the men in arms, we have come out in the streets seeking to maintain the dignity of the Armed Forces in total unity in response to a call of honor. It is our wish to restore the total unification of the Colorado Party in government, to defend the precepts of a real democracy in Paraguay, to enforce respect for human rights in Paraguay without distortions or misinterpretations, and, finally, to defend the tenets of our Christian, Roman Catholic religion.

It is our fervent wish and intention to be able to serve and defend those principles as mandated by the rules of the Paraguayan soldier, and to this end we request your cooperation to give our country the place it deserves in the community of nations with your understanding and support.

Yours truly,

[Signed] General Andres Rodriguez.

2 Divisions Support Rodriguez

PY0302051989 Asuncion Radio Primero de Marzo
in Spanish 0507 GMT 3 Feb 89

[Communique released by the commander of the 3d Infantry Division; date and place not given—read by major Vicente Fernandez, aide-de-camp to the commander]

[Text] This is major Vicente Fernandez, aide-de-camp to the commander of the 3d Infantry Division.

Communique of the commander of the 3d Infantry Division:

The 3d Infantry Division, which is under the I Army Corps, located in San Juan Bautista de las Misiones, unconditionally supports the movement headed by the illustrious military chief Division General Andres Rodriguez.

Signed: Brigadier General Juan de Dios Garbett, commander of the 3d Infantry Division.

[Asuncion Radio Primero de Marzo in Spanish at 0408 GMT on 3 February airs the following one-sentence statement by an unidentified announcer: "The 4th Infantry Division unconditionally supports the movement headed by General Andres Rodriguez."]

More Units Back Rodriguez

PY0302054589 Asuncion Radio Caritas in Spanish
0514 GMT 3 Feb 89

[Report by Quique Gamarra]

[Text] We have important information on the unfolding of these events:

In the investigations I have been doing for Radio Caritas from my residence, I got in touch with the 1st Cavalry Division, where a high-ranking officer, who requested that his name not be revealed, gave me this information:

The 3d Infantry Division headquartered in San Juan Bautista, Misiones; the 4th Infantry Division headquartered in Concepcion; the 2d Infantry Division headquartered in Villarica; and the Xavantes wing of the Air Force have joined the movement led by General Andres Rodriguez.

This is, in a few words, the information that I was given, and the high-ranking officer of the 1st Cavalry Division promised to expand on it later.

Opposition Leader Cited

PY0302062789 Madrid EFE in Spanish 0554 GMT
3 Feb 89

[Excerpts] Asuncion, 3 Feb (EFE)—The I Army Corps last night hit the streets of Asuncion to begin democracy in Paraguay in an uprising by its commander, General Andres Rodriguez, against the regime of General Alfredo Stroessner, who has been in power since 1954. [passage omitted]

Domingo Laino, the president of the National Accord, which opposes the regime, tonight expressed to EFE "the great concern" of the multiparty coalition regarding the events, and he called for "a way out without violence and trauma" in order to allow Paraguay "to achieve a state of law and democracy in a multiparty fashion."

General Garcete Confirms Support

PY0302080389 Asuncion Radio Caritas in Spanish
0627 GMT 3 Feb 89

[Excerpts] [Unidentified reporter] We are now in contact with the city of Concepcion to talk with General Humberto Garcete, commander of the 4th Infantry Division headquartered in the capital of the first department of the country.

Good morning. How are things there, general?

[Garcete] Good morning to the listeners of your prestigious radio station. My cordial greetings to them. Here in Concepcion we are all calm, with our thoughts turned to the soldier's duty. The 4th Infantry Division has issued a proclamation that reads as follows:

The commander of the 4th Infantry Division, accompanied by the legally constituted civilian authorities—the delegate of government, presidents of Colorado Party chapters, and all the other authorities of Concepcion Department—has the patriotic duty to say this:

Pursuant to developments tonight in the capital city of Asuncion, and after listening to the patriotic proclamation of the Commander of the I Army Corps, General Andres Rodriguez, calling for the unity of the Paraguayan family, respect for human rights, defense of the institutional unity of the glorious Armed Forces, and the real unification of the great Colorado Party in government, thus insuring its continuity in power for the well-being of the glorious and long-suffering Paraguayan people, the commander of the 4th Infantry Division announces to the citizenry his unconditional and decided support for the actions undertaken by the commander of the I Army Corps, General Andres Rodriguez, and urges all his colleagues to join this movement that is meant to bring peace, fraternity, harmony, and tranquility, not only to the Armed Forces but also to the entire Paraguayan people to proceed down a path of peace and progress for the happiness of the long-suffering Paraguayan people. [passage omitted]

[Reporter] General Humberto Garcete, our executive director, Dr Jose Aranda, wants to ask you a question. [passage omitted]

[Aranda] Could you identify other Army chiefs, in addition to General Rodriguez, who have risen in arms against the government?

[Garcete] The commander of the 3d Infantry Division, General Juan de Dios Garbett; the commander of the 2d Infantry Division, General Ricardo Bogado, who took over as commander of the II Army Corps; our glorious Navy; and all the units in Asuncion that are supporting General Rodriguez. [passage omitted]

Troops 'Knock Out' Police Station

PY0302082389 Buenos Aires TELAM in Spanish
0751 GMT 3 Feb 89

[Excerpts] Asuncion, 3 Feb (TELAM/ANSA)—Despite the fact that at 0400 Paraguayan time (0500 Argentine time) [0700 GMT] violent fighting was continuing in the Paraguayan capital as forces loyal to General Alfredo Stroessner resisted the advance of the troops of General Andres Rodriguez, everything seems to indicate that the rebel military man could have the situation under control within the next few hours. [passage omitted]

Santiago Montes, an eyewitness to the first confrontations that took place during the late hours of last night, has said that it took only 20 minutes in an uneven fight for the infantry troops to knock out the police headquarters, which was headed by General Alcibiades Brites, retired, who remained loyal to his chief, Interior Minister Augusto Montanaro.

Air Force 'Acting Commander' Cited

PY0302083889 Asuncion Radio Paraguay in Spanish
0829 GMT 3 Feb 89

[Text] Colonel Dionisio Cabello, acting commander of the Air Force, and Colonel Hugo Escobar [no title given] unconditionally support the movement headed by General Andres Rodriguez. We have just received this information.

Presidential Regiment Surrenders

PY0302094089 Madrid EFE in Spanish 0905 GMT
3 Feb 89

[Excerpt] Asuncion, 3 Feb (EFE)—The uprising headed by General Andres Rodriguez against the regime of General Alfredo Stroessner, who has been in power since 1954, was consolidated today when the Presidential Escort Regiment, which is located in the heart of Asuncion, surrendered.

Spokesmen at Radio Primero de Marzo, which since last night has been in the hands of Rodriguez' movement, today told EFE that the Presidential Escort Regiment "had surrendered" after a long and harsh confrontation.

Although there have been no official reports on casualties, unofficial reports indicate that there have been "many deaths" due to the intensity of the firing with heavy weapons.

The firing of heavy weapons was intense, from what was heard at the EFE offices, located approximately 1,000 meters from the seat of the Escort Regiment, an elite unit of the Paraguayan Armed Forces.

The same source stated that the police headquarters, located in downtown Asuncion, is now under the control of the Navy with the siege ended. [passage omitted]

East Region Commander Cited

PY0302101989 Asuncion Radio Paraguay in Spanish
1000 GMT 3 Feb 89

[Relay from Radio Itapiru, of the Eastern Radio network in Puerto Stroessner: "Proclamation No 1" by Navy Captain Amado Rodriguez, "commander of the eastern forces;" date and place not given—read by announcer]

[Text] We are going to read Proclamation No 1:

Navy Captain Amado Rodriguez, commander of the eastern forces, would like to report to the people that absolute calm prevails in Alto Parana and Canendiyu Departments. He would also like to report that he supports the proclamation made by Division General Andres Rodriguez, commander in chief of the Armed Forces [as heard; this was General Stroessner's title], in the protection of the dignity and honor of the Armed Forces, the return of the real Colorado Party, the democratization of the Republic, the defense of human rights, and respect for the Catholic Church.

East Commander Reports Arrests

PY0302110789 Asuncion Radio Paraguay in Spanish
1003 GMT 3 Feb 89

[Relay from Radio Itapiru, of the Eastern Radio Network in Puerto Stroessner: "Proclamation No 2" by Navy Captain Amado Rodriguez, "commander of the eastern forces;" date and place not given—read by announcer]

[Text] Proclamation No 2:

Navy Captain Amado Rodriguez, commander of the eastern forces, would like to report the arrest of the following individuals:

Mario Abdo Benitez [Stroessner's private secretary], Juan Pereira, Justo Perez Almada, Bernardino Caballero, Israel Iriarte, Gustavo Gimenez, Silvio Meza Brites, Vidal Gimenez, Juan F. Recalde, Genaro Espinola, Felix Guzman Acosta, Ubaldo Centurion Morinigo,

Augusto Anibal Lima, Juan Davalos, Mario Gonzalez, Antonio Aranda, Marcelino Pinto, Osvaldo Monges, Pedro Pablo Espinola, (Edgar Cot), Juan Peralta, and Roberto Fleitas.

These people are being held in the facilities of the naval base at the eastern capital.

Stroessner Surrenders

PY0302110289 Asuncion Domestic Service in Spanish
1030 GMT 3 Feb 89

[Message to the nation by General Andres Rodriguez on 3 February; place not given—live or recorded]

[Text] Attention Paraguayans and Armed Forces comrades; attention all inhabitants of this Republic:

The time to make decisions has arrived, and the Armed Forces of the Republic of Paraguay have again thoroughly fulfilled their duty.

Order has been reestablished. In this new order we will see that human rights and the terms of our Constitution are respected.

I inform all residents of this Republic, of this beloved Paraguay—as well as all people of goodwill who inhabit this beautiful country—that the situation is entirely under control. The unanimous support of the Armed Forces and of the people in general have made it possible to reestablish tranquillity for the well-being of our beloved Paraguay.

To the people in general, to my valiant comrades in arms, and to the media that have been accompanying us in this historic event, I announce that General Stroessner has surrendered and is in a perfect state of health, deprived of his freedom, but enjoying all human rights at a residence inside the I Army Corps.

[Signed] Division General Andres Rodriguez, Commander of I Army Corps

People Allowed Free Movement

PY0302122289 Asuncion Radio Caritas in Spanish
1210 GMT 3 Feb 89

[Communique issued by "police headquarters" on 3 February; place not given—read by announcer]

[Text] We have an official communique from the police headquarters. The communique says:

In view of the recent events known to the people, events that occurred on the night of 2 to 3 February 1989, the military chief of the metropolitan area, Brigadier General Francisco Sanchez, informs the country and especially the people of the capital that everything is calm and back to normal, and that the administration of order is under complete control.

Therefore, the people can move around freely and carry out their usual activities.

Rodriguez Becomes President 'Today'

PY0302124689 Asuncion Radio Caritas in Spanish
1241 GMT 3 Feb 89

[Text] General Andres Rodriguez will be sworn in as president of the Republic at 1700 today. At 1800 the Traditionalist Faction of the Colorado Party will meet in the headquarters of the Colorado Party with Colorado Party President Juan Ramon Chavez.

We would also like to report that former President Alfredo Stroessner has 12 hours to leave the country, and that he will reportedly leave in a private airplane for Santiago, Chile.

Shots Fired at Italian Envoy's Car

PY0302120889 Buenos Aires TELAM in Spanish
1145 GMT 3 Feb 89

[Text] Asuncion, 3 Feb (TELAM)—The automobile of Italian Ambassador Sergio Grimaldi was shot at upon leaving the ambassador's residence, which is located on Venezuela Avenue in a residential area a few blocks from the presidential house.

Ambassador Grimaldi was not hurt, but Italian reporter Lucio Lami, who was accompanying the ambassador, was wounded and taken to the Italian hospital.

Rodriguez, Cabinet To Be Sworn In

PY0302152589 Asuncion Domestic Service in Spanish
1453 GMT 3 Feb 89

[Text] At 1700 [2000 GMT] this afternoon, Division General Andres Rodriguez, I Army Corps commander, will be sworn in as the new president of the Republic of Paraguay in the Independence Room of Lopez Palace.

After his installation, Gen Rodriguez will swear in the new members of his cabinet and then briefly address the nation.

At 1800 [2100 GMT] he will attend a ceremony at the Colorado Party headquarters. The ceremony is aimed at reinstating Juan Ramon Chavez as the legitimate chairman of the party executive board.

Stroessner Submits Resignation

PY0302151789 Asuncion Domestic Service in Spanish
1505 GMT 3 Feb 89

["Document" signed by General Alfredo Stroessner in Asuncion on 3 February—read by announcer]

[Text] We disseminate the following document:

Asuncion, 3 February 1989

Through this document, I submit my irrevocable resignation from the post of president of the Republic of Paraguay and from the post of commander in chief of its Armed Forces.

Signed: Alfredo Stroessner, Army General

Peru

Alleged Shining Path Attack on DEA Helicopters
PY0202173989 Madrid EFE in Spanish
1700 GMT 2 Feb 89

[Text] Lima, 2 Feb (EFE)—Alleged members of the Maoist Shining Path group, which operates in the Peruvian jungle, have used rockets to attack DEA helicopters. The DEA is a U.S. antidrug agency that helps the Peruvian police in the struggle against trafficking in the area.

The helicopters were damaged by rockets that were launched from inside the jungle against the helicopter base. The base is located in the town of Santa Lucia, 10 km from the city of Tingo Maria in the Huanuco Department.

The rockets were launched from about 300 meters at the helicopters, which were parked. No one was injured but according to the Lima newspaper LA REPUBLICA today, damages are estimated at \$30,000.

The newspaper reports as its sources the national police, but it does not specify the date of the attack.

The DEA agents were lodged at the Tingo Maria hotel. The Shining Path issued a public statement announcing that it would blow up the hotel if the DEA agents continued to live there.

In view of this, the U.S. agents moved to the helicopter base located in the town of Santa Lucia.

According to LA REPUBLICA, a similar attack against a DEA helicopter was perpetrated in November at the helicopter base in Tulumayo, located in the same area.

In view of these attacks, a security cordon has been established around the area where the helicopters are parked.

It is estimated that there are about 2,000 armed Maoist guerrillas in the Huanuco jungle area and the bordering San Martin Department.

According to reports from several sources, Shining Path has "taken over" the drug trafficking business. It is imposing its prices on the Colombian and Peruvian drug traffickers who operate in this area so that peasants who illegally farm the coca shrub will be paid more.

The local press also says that the Shining Path wants to continue exporting drugs, particularly to the United States, so as to undermine the capitalist society.

Communique Answers Ecuadoran Minister's Remarks
PY0102130489 Lima Domestic Service in Spanish
1040 GMT 1 Feb 89

[Text] The Peruvian Foreign Ministry has issued an official communique reaffirming Peru's full respect for international treaties and reiterating our country's will to maintain friendly and peaceful relations with Ecuador based on the fulfillment of the terms of the treaty of peace, friendship, and borders of 1942. The communique was issued in response to the remarks by the Ecuadoran foreign minister on the 41st [as heard] anniversary of the Rio de Janeiro Protocol.

* Fishing Agreement With USSR Viewed

*** Official Defends Agreement**
33480085 Lima EL COMERCIO in Spanish
21 Dec 88 p A-9

[Text] The vice minister of fishing, Dr Ismael Prevost Gomez, declared yesterday that it is imperative that the Peruvian Government sign fishing agreements like the one signed recently with the Soviet Union, "because the exceptional share in the production of fish will substantially increase the supply of fish to the low-income population."

The vice minister made these statements with regard to the above-mentioned fishing contract, which was signed on the 6th of this month. The terms of the agreement have been questioned and opposed by representatives of the national private fishing sector, who complained that the pact "is an affront to national sovereignty and violates some constitutional precepts."

"It is not true that our policy is selling out the country. Our country does not have a sufficient fishing fleet of its own to exploit the marine ichthyological resources, so for the time being it is necessary to enter into agreements with friendly countries so that fish can be an alternative food for the people. This will make available 75,000 tons per year, at zero cost."

He stated that 75,000 tons is 30 percent of the current supply of fish, which means that per capita consumption will undoubtedly increase by 2 points, reaching 17 kilos. "We are always patriotically looking, as in the present case, for the most advantageous conditions for the national interest, for the benefit of the neediest classes, even at the cost of political dividends," stated the vice minister.

"The pact poses no danger whatsoever of the extinction of marine species, much less the depredation of our ichthyological wealth. The authorization for Soviet vessels to fish applies to part of the surplus catch that is allowable for certain maritime resources that are not fully exploited, such as jurel, mackerel, and hake," he said.

"There is no danger of any depredation of fishing resources, because it is Peruvian authorities who will determine the total permissible catch each year, as well as the fishing areas and seasons and the species and minimum sizes," he emphasized.

Prevost Gomez added that "trawl fishing will take place outside the 30-mile zone in previously agreed-upon areas. This will provide an opportunity to take advantage of our tremendous and inexhaustible marine wealth, to the benefit of the popular diet, which will be augmented by low-priced products."

He also declared that "according to scientific studies conducted by IMPARE [Sea Institute of Peru], our biomass of oceanic species exceeds 15 million tons just in the first 100 miles, and the annual catch allowed the Soviets is 400,000 tons. Thus, the preservation of our marine resources is assured."

In this connection, the president of the IMARPE, retired Vice Admiral Ricardo Zevallos Newton, reported to this newspaper yesterday that the total biomass of the Peruvian sea is 7 million tons.

As for control over the number of ships and the quality and quantity of the catch, he stated that the agreements call for the presence of three inspectors on each ship: an IMARPE scientist, an expert from EPSEP [Public Enterprise for Fishing Services], and an engineer from the Fishing Ministry.

'National Sovereignty Cannot Be Relinquished'

The vice minister stated that "it is clearly established that the Soviet ships that operate in our sea are subject to the laws and regulations of Peru. The fact that, contractually, the Soviet vessels are subject to Peruvian law cannot be a matter for arrest or embargo; it does not imply renouncing the exercise of national sovereignty over our territorial sea."

"Peruvian sovereignty cannot be relinquished and is unquestionable. It should not be confused with the kind of sanction that can be applied in the case of the breach of a commercial contract, for which specific provisions are made," he emphasized.

In this regard, Peruvian ship owners pointed out that Article 23, Subparagraph B of Supreme Decree No. 012-84-PE, which regulates the operation of trawlers, states that "agreements with foreign fleets should contain express provisions submitting to the laws and courts

of Peru, but Article 47 of the contract states that as long as the Soviet crews of the vessels are operating in the jurisdictional waters of Peru, they will be subject to the laws of the USSR, and that the Soviets agree to respect Peruvian laws."

The vice minister also noted that the protocol stipulates "that the tax, economic, and financial obligations and other legal fees of the Soviet fleet are paid with part of the fishing production, at no cost to Peru."

On this point, the Peruvian ship owners complained that Supreme Decree No. 010-PE, amplified by Supreme Decree No. 059-88-PE, provides that contributions or payments in kind or for fishing concession rights satisfy any tax obligations that may be owing to the state, and therefore these "are unconstitutional decrees, because Article 139 of the Constitution states that tax exemptions and other tax benefits can only be granted by express legislation, not by supreme decrees."

*** Biomass Discussed**

33480085 Lima EL COMERCIO in Spanish
21 Dec 88 p A-9

[Text] The fishing cooperation contract signed by the Peruvian and Soviet Governments on the 6th of this month "will not represent any danger to the biomass of the Peruvian sea, if the Soviets meet the terms of the agreement," stated the president of the Sea Institute of Peru (IMARPE), retired Vice Admiral Ricardo Zevallos Newton, yesterday.

"If the Soviets comply with the contract and fish only 400,000 metric tons, there is no reason for any depredation of the biomass, which totals 7 million metric tons," emphasized Zevallos Newton. He pointed out that there are two ways of controlling the Soviet fleet when it begins operating in the Peruvian territorial sea:

"One, the IMARPE inspectors who will be on board the trawlers, and two, the four cruises that IMARPE hopefully will be in a position to finance each year to evaluate the biomass, in terms of whether it is being maintained and reproducing, or whether it is being depleted," he said.

He did note, however, that "due to a tight budget, IMARPE cannot conduct the four biomass evaluation cruises that would be optimum"; last year it was only able to have two evaluation cruises, this year one.

Zevallos declared that in the 2 years that he has been president of the scientific entity, "our inspectors have not found any foreign fleets to be violating the fishing contracts."

He reported that IMARPE has not yet named the inspectors to travel on board the 20 Soviet trawlers to monitor their operations. "The Soviet vessels have to arrive; when they get here, we will put the inspectors on board," he said.

'Anchovies Depleted in 1973'

With regard to overfishing recorded in the Peruvian sea, the IMARPE president reported that there was one case in 1973, when between 12 million and 15 million tons of anchovies were caught.

"The depletion took place as a consequence of the overfishing of anchovies, first, and of the 'El Nino' phenomenon, second. During that time, all fishing revolved around anchovies, and it took several years for reproduction to return to normal," he indicated.

He also stated that the Peruvian coast has certain zones that are off limits even to Peruvian ships. "There is a 10-mile fringe along the entire coast that is reserved exclusively for small-scale fishing. No trawler can enter that zone," he said.

"The Soviet fishermen have been forbidden to come within 30 miles of the coast, as I understand it, precisely to allow the Peruvian vessels to fish in that 30-mile area, which is where the fish are most abundant," stated Zevallos. He indicated that this zone "is south of Paita, below Bayovar."

Venezuela

Further on Inauguration, Visitors' Activities

Perez Inaugural Speech

PA0202163189 Caracas Domestic Service in Spanish
1436 GMT 2 Feb 89

[Inaugural address by President Carlos Andres Perez at the Rios Reyna Hall in the Teresa Carreno Theater in Caracas—live]

[Text] Citizen president and vice president of congress; citizen senators and deputies; citizen Supreme Court president and justice; Your Excellencies heads of state; Your Excellencies heads of government; Your Excellencies heads and members of special missions; Your Eminence Cardinal Jose Ali Lebrun, archbishop of Caracas; citizen president and member of the Supreme Electoral Council; citizen president and justice of the Council of the Judiciary; Vice Admiral Wolfgang Larrazabal, former government junta president; citizens and ministers of the cabinet; citizen state prosecutor, comptroller, and attorney general; Your Excellency the Reverend Apostolic Nuncio of His Sainthood, dean of the diplomatic corps; citizen officers of the military high command; distinguished ladies and gentlemen; special guests; men and women of Venezuela:

It is with deference and gratitude that I greet the heads of state and government and the ranking dignitaries from friendly countries who have generously accepted my invitation to be here. I greet the friends who have traveled from far away to be with me. I greet the Latin American and Caribbean people and, on this exceptional day in my life, I greet all Venezuelans regardless of their political affiliation, ideology, religion, or place of residence, as well as the foreigners who live among us.

I take the symbols of power from the hands of a longtime friend and comrade-at-arms, President Jaime Lusinchi. No one can deny today that he held this office during one of modern Venezuela's most difficult periods. His efforts to overcome the urgent problems that emerged during his tenure are evident. Petroleum prices dropped—contradicting all predictions—and debt burdened his government.

This is the second time I have assumed office, and I must make an unavoidable confession: I sought this office with a Venezuelan and Latin American passion and not because of personal political ambition. I sought this office and attained it because I love my country deeply and because I was and still am convinced that I can be useful at difficult times when complex decisions must be made.

I am not here to enjoy power and its vainglory. I am fully aware of the serious commitment I have made to lead the nation with a firm hand, accurate vision, and equanimity devoid of concessions. To my experience as a president I must add my political experience as a Venezuelan who has never wavered in his passion to serve.

It is true that 10 years separate me from my first presidency, but they were 10 years of everything except rest or time to ponder. The country has changed. When I began my first term in 1974, several million Venezuelans were not born. Today a new generation of Venezuelans holds key positions in our economic and political system.

It is true that this is a different country now, and the country has different problems. I cannot say that I am a different person, but these are different times and my experiences as a leader and as a citizen are also different.

This young country is not strange or unknown to me. For 10 years I have been at its heart, I have examined it, and I have suffered with it. This new country is, to a great extent, the offspring of the Venezuela of the 1970's, when we struggled to offer Venezuelans special opportunities for education at the best universities in the world and in the best schools in and out of the country.

This is why we are different, while at heart we are the same Venezuelans as always, still having the same desires. However, now we have a more modern and contemporary outlook.

From the demographic point of view, we are one of the youngest countries in the world. We are a young and enthusiastic people who are guaranteeing a dynamic present and a promising future. The young will be in my mind during my administration. I want to govern with them and for them because they will have the final responsibility to lead the country in the 21st century.

I assume the presidency of Venezuela humbly, but without fear. I know about the difficulties we will have to face and I am convinced that there is no more time for mistakes. I know we have to follow the right track, although this decision and the road taken may not be understood initially.

I will promote dialogue and I will work through persuasion, through the pursuit of common interests, in a very open administration.

I assume the presidency of Venezuela as a Latin American and Caribbean who has faith in his region. [applause] I am assuming it with a renewed spirit of solidarity and cooperation, ready to work in a specially harmonious way with all the people.

Mankind is experiencing a time when important changes are taking place. Changes are being produced the way historic transformations take place: slowly perhaps, but unhaltingly.

History teaches us that when revolutions erupt it is because the conditions are ripe. New times are approaching and we have to greet them as promising days. We are not yielding to utopia, we are simply interpreting reality. The tempo has changed and the present quickly becomes the past and the future confronts us with promises and threats.

Some 10 years ago, it could not be predicted that the United States and the Soviet Union would sign an agreement to limit and destroy nuclear weapons. Reforms in the Soviet Union and talks and trust between the two superpowers were unthinkable. Some 10 years ago, it looked like there was no solution for the Middle East conflict.

The conflicts in Afghanistan, South Africa, Angola, Namibia, and Kampuchea crushed all hopes and darkened the international agenda. Today we understand that every conflict, even the most complex and difficult, even those in countries where old dogmas and fanaticism seem to be part of the soil, can be settled reasonably.

Why, then, can Central American conflicts not be settled? This is a challenge that all Latin Americans should meet. We should demand that the solution to this conflict be included in the world detente process and that this solution be a result of Central American convergence and solidarity. [applause]

There is no doubt that the world appears changed early in the 1990's. [as heard] This is the last decade of a contradictory and paradoxical century. This is mankind's most splendid century and at the same time one in which the largest wars and disasters and the most useless confrontations have occurred. The century of mankind's zenith offers to us its last promising decade. We should not just hail the end of it as a stage of reason and conciliation because this will not be handed down to us as a gift from the gods. All of us, large and small, are being called upon to partake in the construction of a new world order, an order that will not demand any state or country to relinquish its genuine rights, well-being, and wealth. Quite the contrary, this order entails a search, and very possibly the discovery, of balance and stability in relations between countries, groups of countries, and regions. As the major trends in our times show, individualism and isolationism are anachronistic and absolutely untimely. In our world, the Third World, there is a growing awareness of convergence and solidarity that can turn secular weakness into strength. The South Commission, to which I have the honor of belonging, is committed to recreating the spirit of our developing world and making us strong; not to challenge anybody with arrogance, but to be steady in dialogue and to explore new possibilities.

We do not dwell on fiction when we imagine an orderly, equitable world. I have calmly talked with statesmen and leaders who have the most diverse ideas and come from the most distant regions in the world. I have talked with U.S. President George Bush, Soviet leaders, and the great statesmen of growing and powerful Western Europe. I have traveled to the heart of Africa. I have also gone to Asia, Japan, and the PRC. I visited the Middle East twice in a few weeks. Why? Because I trust these statesmen and leaders and because I want to transmit to them our faith and hope in a joint, reasonable, and well-balanced effort.

Naturally, contacts with Latin American and Caribbean statesmen and leaders have become more frequent and closer. All of us have similar problems. All of us lately have been making consistent efforts to find solutions that will benefit all of us.

Latin America and the Caribbean have seldom been so particularly aware of our situation, and have decided to embark on integration programs for their countries and on dialogue and negotiation efforts with other regions and countries. The Group of Eight is not only unique; it is also an open road and evidence of how promising this time is for Latin American.

The ability to point out the various topics on which a consensus is possible and the ability to understand their diversity and assimilate their differences can prepare us to make Latin America's old dream—the ever-present goal of Simon Bolivar: the great Latin American fatherland—become a reality. [applause]

This involves a topic that, as a Latin American leader, I cannot and will not evade: our relations with the United States. We have been and continue to be sincere friends with this great nation. We recognize the strength of its democratic system, its economic strength, its political and social power in our modern world. I intend to continue and deepen that friendship, based on respect, equal treatment, and frankness in dialogue. That is how a relationship that recognizes the reality of our times and that is based on the fact that Latin America is a continent whose strength stems from its history and destiny should be. We do not advocate the use of rhetoric and cunning confrontations, but we will insist that the relationship be based on agreements and cooperation.

The new U.S. Administration has the immense and challenging possibility of recognizing the continent as an area that is receptive to a fruitful dialogue, even concerning recent events that have led to a fiery conflict. The possibility of a conscientious dialogue between the United States and all of Latin America will be strengthened if we recognize each other as solidaristic friends and not as part of a nonhistorical relation of subordination. [applause]

I said this to President George Bush during a frank and cordial dialogue. Venezuela has consistently had a relationship of cooperation with the United States that we will work hard to maintain. Within this framework, we hope that we will together be able to help attain a definitive solution to the foreign debt problem; a peaceful, respectful, and promising solution to the Central American situation; the recovery of the democratic process in Panama; and the normalization of inter-American relations. You can unconditionally count on Venezuela for these goals. [applause]

Thirty years of democracy have allowed Venezuelans to achieve material and spiritual progress; but this has also created new needs, new demands, and new expectations.

That is why 1989 will be a year of reforms—the first of several years of reform. This will be a year for an in-depth study of the system through consolidation as a result of more dynamic and active community participation. For 1989, there will be more responsibility, but with greater awareness. Greater benefits mean more responsibilities. This is what the reform process should be like—nothing else. We need more efficient work, greater productivity, more control, and better investments.

In 1989, we will be able to prove our capacity for systematic effort. No one should expect to receive anything for free. The state must be relieved of many burdens, the first being that of the irresponsible benefactor, which creates, generates, and fosters bad habits. It is important to reestablish the relationship between the state and civilian society. Community participation in social services is needed to motivate residents to take part in decisions made by public enterprises.

If we want a country with a solid, independent, and invulnerable economy—an economy immune, if possible, to external fluctuations beyond our control—we must assume the corresponding responsibilities. This cannot be achieved unless there is discipline, productivity, and sacrifice. No one asks or will ever ask for sacrifices that go against the grain of Venezuelans.

The state must rid itself of overpowering interventionism, of being a protective welfare state; a state that ends up being an obstructionist state, a benefactor state, and on many occasions a complacent work-contracting agency, which is degrading.

The economy needs to be restructured, but this restructuring cannot forget the democratic obligation to the workers, to the poor from the cities and countryside, and to the middle class. We must be clear that costs need to be shared. We cannot keep imposing sacrifices upon those who have the least, bypassing those who have more. [applause]

When I speak of Venezuela's current economic situation, I want to be very clear and precise and point out to the country the elements that are affecting us and the corrective measures we are willing to use.

The eighties have been especially difficult for Venezuela. The first 5 years saw an unusual slowdown in development. Then there was the drop in oil prices, followed by our having to face a large debt. This created a process of increased deterioration of the economy. The high cost of servicing both the public and private foreign debt over the last few years has cost us more than \$25 billion; in other words, 50 percent of our oil exports over the last 5 years. In January 1989, we owe a similar amount of public debt, and nearly \$4.5 billion in private debt.

The drastic decline of our international reserves, which on 31 December 1988 were \$6.584 billion, represents a 33-percent drop between 1986 and 1988. This is due to the systematic payment of the foreign debt and the unusual increase in imports, which for 1988 totaled more than \$10 billion—a figure slightly more than the value of Venezuelan exports, and 20 percent more than the income from oil exports.

Although the gross national product recovered in the past 3 years—maintaining a positive growth rate—and employment increased, we cannot but be concerned with qualitative aspects of these two factors, especially regarding employment, where growth has been in the informal sector as a result of the decelerated growth in agriculture, industry, and construction in the past 2 years and the accelerated growth of the central government.

These two elements comprise one of the principal elements that caused the inflationary spiral during the past few years. The 35-percent inflation in 1988 was not caused by adjustments in exchange rates, but rather by a

disorderly expansion of demand without a corresponding increase in supply. To this we must add the dollar-oriented prices of some economic sectors that are nourished by the existing differences in exchange rates.

The overall public deficit, which surpassed 43 billion bolivars in 1988—5 percent of the gross national product—has clearly been seen in an increasing and sustained manner during the past 3 years. It was an important component of the expansion of the inflationary demand that we are witnessing. The financial market is facing deep distortions caused by the policy of financial repression, which has been expressed by the restraint of adjustments of passive interest rates, greatly harming savings account holders and distorting active interest rates. This created a financial market characterized by the rationing and concentration of credit and an upsurge of noninstitutional markets.

These circumstances and the high volume of exports, channeled through the financial system and using letters of credit, have resulted in a high indebtedness to the Central Bank, the strengthening of instruments that are free of regulation, and the collapse of the savings and loan system.

Adjustments of the price of domestic goods have been repressed for a long time and have been affected in the past few months by adjustments in the exchange rates for imports and an inadequate adjustment of the prices of raw materials and essential products that have a direct effect on the prices of the end products. As a result of this, my government will have to make immediate decisions on the prices of these imported goods, which had to be raised in previous years, to prevent the shortage of some of these products resulting from import delays. We will have to wait for new prices because of the money shortage during the 1st quarter of the year. This shortage is the result of the wicked system of distributing, through specific quotas, the available preferential resources for imports. The new government will also have to cope with the accumulated requests by farmers for price adjustments because of the increased costs of materials, such as seeds and fertilizer, and inflation.

To this difficult and burdensome situation we must add the workers' falling living standards. The workers have suffered a serious drop in living standards. In the past 5 years, the minimum wage has fallen by more than 25 percent and the average net income has dropped by 40 percent.

We must also consider these facts: public sector wages have fallen behind those of the private sector, and social benefits are inadequate for this nucleus of the population, which has so much responsibility for the management of the country; and, finally, the increasing number of controls and permits that are overwhelming private enterprise and hindering its full expansion.

These serious problems must be corrected for Venezuela's healthy growth in the future. They constitute our most difficult challenge. It would not be fair to propose to the country a policy containing tentative and inefficient corrective measures that would further aggravate the crisis. I suggest a policy of in-depth corrective measures that will lighten the dead weight of inconsistencies, contradictions, and delays. I propose a policy that will correct the deep economic, financial, monetary, and fiscal imbalance before these become structural problems that we would find impossible to correct without causing a dramatic collective trauma.

Venezuela has great potential. It has great natural, human, and financial resources. The full use of these resources will allow us to narrow large economic gaps and establish healthy growth, without inflation, in the years to come.

I propose to the country a concerted effort with the help of all the forces that actively participate in a democracy such as ours. This concerted effort will be the centerpiece of my work; it will not be sporadic but continuous and at every level. The economic policy will not be removed from social policy. The two will be one. There can be no adjustments in the economic area if these are only going to affect the lower income groups.

I will not mention all the measures we are adopting in the next few days; the people will learn about them through my assistants. I do not wish to exhaust our guests. They, and all Venezuela, must know that we are creating a modern Venezuela; a Venezuela that stands on its own two feet; a Venezuela that supplies the world not only with its oil, but also with nontraditional exports, an arrangement which increasingly complements the financial needs of production.

We have promised progressive economic liberalization. We will make the necessary monetary adjustments to establish a single, flexible exchange rate that will eliminate the differences in the current system. We will implement measures to boost production and exports; we will liberate the financial system; and we will establish new prices that are in accord with costs. The workers will receive wage increases. Public sector wages will be corrected and service rates will be adjusted.

The reduction of the deficit will be proportional to our (?GNP). Throughout the process of adjusting to new economic conditions, however, there will be an increase in spending. This increase will mainly go to social programs, especially to subsidy programs for the low-income population. We will inevitably go through hard times, but I am sure we will overcome them with everyone's cooperation.

The international scene appears complex, yet there are positive signs regarding both the international petroleum market and the foreign debt. OPEC is the most suitable means we have to protect the price of oil and make a fair

profit. The current prospects look more promising than those in the past, but we must remain alert. The responsibility for achieving stability in the petroleum market has to be shared both by the OPEC countries and by independent petroleum exporters. In the various meetings I had while visiting the Middle East and Africa, I found there is a strong feeling of understanding and unity as well as a desire to hold, at a convenient date, a meeting of OPEC heads of state. A meeting of OPEC leaders, 13 years after the Algiers summit, would be a good opportunity to devise a strategy to guide the organization during the 1990's.

Our international efforts must be supported by a solid and flexible national petroleum industry. Nowadays, we have a better and stronger industry than when the industry was nationalized in 1976. We have tripled our reserves, modernized our refineries, significantly diversified our export markets, and provided our industry with a high degree of operational flexibility. Our petroleum industry's highly qualified and hardworking personnel are its principal asset.

Great challenges lie ahead. We will need to compete in a more competitive international market, achieve better results with fewer financial resources, and involve the petroleum industry in all the other important fields in our country. Our industry's domestic expansion offers many opportunities to develop projects involving both private and public capital and to promote the investment of foreign capital, which would benefit Venezuela.

The petrochemical industry is especially important as a means of increasing the value of Venezuela's oil beyond its value as fuel. We must now promote the delayed development of this industry, which will allow us to manufacture a great number of products to fulfill the needs of our domestic market and to selectively penetrate the international market. The participation of the private sector and of foreign investors is especially important in this regard. It will be up to us to provide attractive, clear, and stable conditions to enhance this participation.

The failure of Latin America's current strategy to face the foreign debt problem has led to a series of proposals from all corners of the world to solve this problem. These proposals may lead to a permanent solution, and these diverse proposals have one thing in common: They emphasize a substantial reduction of the foreign debt and of its interest burden by selling it at a discount on the secondary market.

The finance ministers of the Group of Eight recently issued a responsible statement on this subject through the Rio de Janeiro document. Unfortunately, these proposals have made no progress because of political indecision both in the North and in the South.

The time is ripe for making political decisions to permanently solve the debt crisis. The responsibility for seeking definitive solutions to the crisis is shared equally by the United States, other industrialized countries, and Latin America. The strategy used so far, based on an individual treatment of each debtor country, has inflicted a severe social and economic cost on our continent. Each country has ended up alone, facing a formidable cartel of creditors that has imposed its schemes and interests. Now is the time to search for a joint pledge to seek solutions among industrialized and Latin American countries and to break once and for all the vicious cycle of the foreign debt and stagnation.

This formula is also valid for the African nations. This is how I feel, and this is the reason for the proposal I presented on 27 February at the world conference of businessmen in the Swiss city of Davos.

We live in an era of great, historic changes. One unavoidable challenge of our continent is that of modernization. The changes that are being proposed imply a radical modification of our societies. We have to face the challenge, and the resulting changes must not be simple, cosmetic changes with no lasting impact. What Latin America requires is a turn of the wheel to arouse the forces of society that are now dormant or silent because of indifference and lack of bold initiatives.

The modernization of Latin American society means changing the industrial and agricultural production system, the political system, the educational and cultural system, and the way we have organized science and technology. Modernization means a redefinition of the general framework in which our countries function.

The state must give strength to society. The state must solve conflicts between the people and the bureaucracy. The state must also tear down the obstacles preventing Latin American integration and a more consistent solidarity among our nations.

In Venezuela, we say with pride that the state has made important reforms. We have begun a program of deep reforms. This program is guided by a master plan for modifying the state apparatus.

With the direct elections of governors and mayors, Venezuelan democracy has entered a new phase. These elections will be evidence that Venezuela is definitely entering a phase in which democracy is not just a one-time event but a continuing process.

This phase certainly entails risks that those of us who have important responsibilities cannot ignore, but all new, bold initiatives entail risks.

As far as individual rights are concerned, democracy cannot be restrained by fear of unexpected dangers; otherwise, it could be watered down and would no longer be a democracy. State reforms are a way for Latin

America to overcome its problems in these times of crisis and social upheaval. Venezuela and its sister Latin American republics face economic problems and are burdened by social and educational problems that compromise our future.

I have said many times that we cannot mortgage our people's and our fatherland's future for the sake of paying an onerous debt under unbearable conditions. [applause] Our children's nutritional, health, and cultural deficiencies will become severe social traumas that will not easily heal in the future unless we decidedly tackle those problems.

The world continues its progress at an impressive pace. The magnitude and quantity of demands for a bigger and better preparation of its human resources cannot be ignored by Latin America. Our current dilemma seems to be: Innovate or perish. This is an old challenge in our Latin American civilization, and it was emphasized in the struggle for our independence waged by Simon Bolivar, our mentor. We can no longer postpone facing the modern world's challenges.

I am deeply convinced that one of the keys to keeping up with modern times, as we approach the end of the 2d millennium, is a self-sustained technological and scientific development. We have wasted precious opportunities in the past. I offer to turn science and technology into a matter of state from now on and to give it the highest national and social priority. [applause]

Referring to material production, no country can cope with the demands of our modern times without scientists, researchers, and managers of all disciplines who will explore, identify, and exploit our competitive and dynamic advantages. This is the only way we can compete in an international market that has become more and more demanding.

I believe this is the spirit that prevails throughout the world in 1989—the spirit that must allow us to dispel doubts about the 21st century. We will not try to create a happy world or promise an ideal society. Utopias do not exist. We must limit our enthusiasm and expectations to the realities of our times. This will allow a more rational passage into the 3d millennium of our existence. We cannot stop being a world of varying interests that are difficult to reconcile. However, our goal and purpose must be the search for balance and equality, cooperation and trust, and respect for the autonomy of others.

Venezuela shares this new Latin American and world situation with a spirit of conciliation, solidarity, and cooperation with all the peoples and countries of this earth. This is the message I wish to send and the commitment I wish to make before the Venezuelan people and so many friends who have come here to participate with us in this celebration of democracy. I commit myself to the building of a modern, truly and deeply democratic, free Venezuela based on solidarity.

Those are the kind of days to come. That is the kind of determination that will allow us to see the year 2000 as a magical time, a time of hope, a time of change, a time of joint efforts and group achievements. Let us get to work!

Solis Palma on U.S. 'Impositions'

PA0202191489 Caracas Venezolana de Television
Canal 8 in Spanish 1822 GMT 2 Feb 89

[Interview with Manuel Solis Palma, Panamanian minister in charge of the Presidency, by unidentified reporter; place and date not given—recorded]

[Text] [Reporter] Mr President, welcome to Venezuela. We would like you to comment on former U.S. President Jimmy Carter's statement in which he said that if Panama holds free elections in the presence of international observers, Washington's policy toward Panama could change. What is your opinion on this statement?

[Solis] There is no doubt that we are going to have free elections. Regarding the presence of international observers, Panama, as a free, sovereign, and independent country, is the only one that can decide whether they will be invited. We cannot accept impositions of this nature. That is precisely the problem we have. The United States, and some influential U.S. sectors, have openly and inappropriately meddled in our domestic affairs. They are trying to put Panama in a situation that will only benefit their own interests.

I believe President Jimmy Carter understands our situation. However, we cannot help being influenced by those groups that want the United States to follow a certain line that, unfortunately, is not the best for Panama.

[Reporter] President Ronald Reagan's policy toward Central America, especially Nicaragua and Panama, was one of constant harassment. According to Daniel Ortega, the Sandinist regime does not expect this policy to change much during the George Bush administration. What do you expect?

[Solis] There is always the possibility of change. We feel that now that George Bush is President of the United States, he could change this unfair policy that is harmful even for his own country. However, we cannot be too optimistic because, speaking specifically of Panama, certain interests are at stake. This has been clear in all of the United States' actions. We are convinced that Panama's biggest problem is its geographical position. This geographical position is of great strategic and military importance for the United States. What should be a source of prosperity for our country has become a source of problems just because one of the most powerful nations of the world wants to maintain world hegemony.

Arias, Cerezo Meet Ortega

PA0202192589 San Jose Radio Impacto in Spanish
1843 GMT 2 Feb 89

[Text] The Central American presidents attending the inauguration of Carlos Andres Perez have met to discuss the upcoming Central American summit. Costa Rican President Oscar Arias and Guatemalan President Vinicio Cerezo said they had met with Daniel Ortega. They did not specify if they met at the same time or separately, or if Honduran President Jose Azcona Hoyo had participated in the meeting.

The idea is to agree to hold the presidential summit on 13 and 14 February, Cerezo asserted. He added that they are optimistic that this can be done.

Oscar Arias asserted that the summit has been postponed to allow more time for better preparations and to make use of Perez' inauguration to talk with the Group of Eight. Arias emphasized that the agenda for meetings with the Group of Eight representatives must include the Latin American foreign debt problem and the need for increased efforts so the Guatemalan agreements are fulfilled.

Brazil's Sarney, Castro Meet

PY0302012789 Brasilia Domestic Service
in Portuguese 2200 GMT 2 Feb 89

[Text] President Jose Sarney, before other chiefs of state in Caracas, has defended the viewpoint that Latin American integration should be complete and without discrimination.

Latin American integration, the foreign debt issue, and the Central American situation are the three points included in the agenda for the meeting of five presidents of the so-called Group of Eight. This became clear in statements by all the foreign representatives in Caracas, especially in the words of President Jose Sarney. Since the Brazilian president arrived in Caracas, he has talked with representatives of several countries, including Daniel Ortega and Fidel Castro, defending the idea that the process of Latin American integration should be complete and exclude no one.

President Sarney believes that during the meeting of the Group of Eight a consensus will be attained regarding the debt of Third World countries, and that this will be possible on the basis of the document signed in December 1988 in Rio de Janeiro by the finance ministers of the Group of Eight countries. This is certain: All agree that the foreign debt cannot be repaid and that it is necessary to define a common strategy for its renegotiation. Ecuador will attend the meeting of the Group of Eight as an observer, thus taking the first step toward its inclusion in the group.

In Caracas, President Jose Sarney met with Cuba's Fidel Castro. After this meeting Sarney granted a news conference. He reported that he talked with Fidel Castro about bilateral relations and problems related to Central America and southern Africa.

[Begin Sarney recording] Above all, we all want the process of Latin American integration to be completed without excluding anyone. This is the position that I have already defended at the Group of Eight meeting in Acapulco. [end recording]

The Brazilian President also talked about Cuba's return to the OAS.

[Begin Sarney recording] This concerns the issue of Cuba's integration into the American system. Our position is that Cuba should participate in and join the system. But naturally, Cuba should first say that they want to participate. [end recording]

President Sarney also affirmed that his government's foreign policy has led Brazil to take its place not only at the regional level, but at the world level.

Cuba's Castro Interviewed

PA0302021289 Caracas Venezolana de Television
Canal 8 in Spanish 2348 GMT 2 Feb 89

[Interview with Cuban President Fidel Castro by Noralba Jimenez and other reporters at the Caracas Hilton Hotel—live]

[Text] [Reporter] After your meeting with President Carlos Andres Perez this morning, do you believe diplomatic relations between Venezuela and Cuba could be resumed?

[Castro] Goodness, we did not even talk about the matter as we both believe this is a fact. We spoke about other matters that are presently causing all of us concern: economic problems, foreign debt problems, our need for unity, and other matters of interest. We did not talk about resuming relations.

[Reporter] So you believe the resumption of relations is possible?

[Castro] I believe it is a fact.

[Reporter] So it is a fact that Venezuela and Cuba...

[Castro, interrupting] The only problem we could encounter is a financial one. [Reporters laugh] Housing in Caracas is so expensive that we will have to find money and a good ambassador. There are some candidates, but we still have not chosen the ambassador. [Words indistinct] in case we open an embassy here. [Words indistinct] Could you find me a place here? [Reporters say "no" in unison and laugh]

[Reporter] Commander, you had an office here that was located in Chuao.

[Castro] I sold it.

[Reporter] Hernandez Cordelo was the Cuban ambassador. He was a well-known ambassador....

[Castro, interrupting] [Words indistinct] It was an investment that did not yield any dividends. That is why we had to sell it, and now we have to buy a place. Do you think someone will give us credit? [Reporters say "yes" and laugh]

[Reporter] I suppose you and President Perez talked about the foreign debt and Central America because they are the most critical problems at present in Latin America.

[Castro] I will explain. We got here early and first met with Carlos Andres Perez' aides. They gave me ample information about his recent overseas tour, the results of the trip, the efforts made with the oil-exporting countries, and other matters. Many of these topics were mentioned by Carlos Andres Perez in his speech.

When I spoke with President Perez, however, I did not ask for more information because I knew that he had to attend the inauguration. We met around 0715 or 0720. I asked him about his health, how he felt, about his trips, if he had slept well, and other things. We did not touch on certain subjects, but he did tell me about his trip, the efforts made during his trip, and his talks with different leaders. We also talked about the Nonaligned Movement and some of our plans. I was mainly interested in his frame of mind. He was very optimistic and enthused with the work he wants to accomplish. I did not want to take up all his time as I knew he had a tight schedule today. That is why I proposed that we end the conversation, and I let him go.

[Reporter] Will you meet again?

[Castro] Well, we will have to see one another. I cannot move from here. How can I move? I do not know what to do. I do not know how to cross my legs. [laughter]

[Reporter] Taking advantage of the presence of so many heads of state, do you think that here in Caracas you can pave the way to create a common policy toward the creditors?

[Fidel] I think that we can pave the way for a common policy with regard to many problems, not just the debt, although the debt problem is one of the most important. I think that the meeting here in Caracas of so many world leaders, especially those of Latin America, has great value. It is a great symbol, which is more important than what is discussed here. In an event of this nature—where a president is sworn in, is the host, has to rally his

people's support, has to take charge of the government, and has to take care of a series of immediate problems—it is not possible to hold meetings to thoroughly discuss problems.

I believe that the most important aspect of this kind of event, with the presence of so many political leaders, is the expression of unity. It shows an awareness of the need to coordinate our efforts, come together, and work jointly to solve the great problems of our peoples and hemisphere and to participate more actively in today's world. According to what I have read in news reports, Carlos Andres Perez has been very active in the past few weeks. The description he gave in this morning's speech of his recent talks gives you an idea of the tremendous activity in which he was involved.

This is very intelligent on his part, because the main problem is to try to lead OPEC to agreement and discipline. The truth is that discipline had been lost in OPEC. The consequences of this are evident. There was the attempt by the industrialized countries, especially the United States, to destroy OPEC. OPEC is a Third World organization. The Third World supported it. This does not mean that OPEC always had the best policy. It did not always have the best policy.

I always said that OPEC, which requested and got the support of the Third World countries, should have a policy of cooperation with the Third World. Everyone knows that much of the oil profits went to banks in Europe, the United States, and other places, while we always advocated a policy of greater cooperation. However, the Third World supported OPEC out of a sense of solidarity, even though the increase in oil prices meant an increase in the difficulties of oil-importing countries—in other words, the Third World countries—which have fewer ways to defend themselves. Nevertheless, these countries supported the OPEC countries.

The countries that want to destroy OPEC are those with the largest oil consumption in the world. They are those that benefit the most from the privilege of having a modern, developed country and a consumer-oriented society. When oil prices rose, they were in a better position than the Third World countries to search for ways to save fuel. At the same time, they looked for other energy sources to replace oil. For example, the French made extraordinary developments in nuclear energy. Other European countries did the same. Consequently, they have made considerable fuel savings. They looked for more efficient airplanes, machines, and automobiles.

But Carlos Andres...[changes thought] The countries that benefit the most from the Third World's raw material—and we view oil as a Third World raw material, and we want the same benefits obtained from oil to be obtained from other raw materials... [changes thought] However, the lack of discipline by OPEC members has much to do with this considerable drop in oil prices that is affecting the OPEC countries. It is affecting Venezuela very much.

There is a big difference between \$32 and \$13 per barrel—I am not talking about \$40 per barrel, which was once the price of oil—and there is a big difference between revenues of \$20 billion and revenues of \$7 or \$8 billion.

Carlos Andres Perez understands this. Before taking office, he toured the OPEC world trying to achieve unity. It is a very intelligent move from the standpoint of that group of countries and of Venezuela. He is aware of the problems he has to face. He said they are not fighting for excessive but stable prices. They want prices that guarantee supply and the development of oil production. Therefore, I think this is a very intelligent move.

Castro on U.S. Policy

PA0302030589 Caracas Venezolana de Television
Canal 8 in Spanish 0210 GMT 3 Feb 89

[Interview with Cuban President Fidel Castro by Noralba Jimenez and other reporters at the Caracas Hilton Hotel on 2 February—recorded]

[Text] [Reporter] Because you first came here 30 years ago as a guest of Carlos Andres Perez, is it possible that Carlos Andres Perez will visit Cuba during his administration?

[Castro] We have not even talked about that, but I assume so. [laughter] [Unidentified official advises Castro that Portuguese President Mario Soares is waiting for him] Could you please wait a minute? Will [Cuban Vice President] Carlos Rafael [Rodriguez] go talk to Soares and explain to him that I am a prisoner here [laughter] of a battalion of journalists? [Words indistinct]

I assume that at any moment, during any of his trips, he will visit Cuba. Basic reciprocity, right? [laughter] I assure you there will not be a campaign against his visit in Cuba. Everyone will be very happy with his visit.

[Reporter] The new U.S. Administration has given some indications that it plans to follow a more flexible policy toward Latin America. Do you think Latin America will stop being the backyard of the United States?

[Castro] You have clearly expressed the idea of what is being said. It is said that the new U.S. Administration is less ideological and more pragmatic. It is also said in various quarters that this administration is worried about Latin America, and it has reason to worry. I have told many Americans I spoke with: You people do not have a policy on Latin America; you never prepare a policy. You people are always improvising a policy.